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Lebanese in Geneva for peace talks

BERN (AP). — President Amin Jemayel of Lebanon met with Swiss President and Foreign Minister Pierre Aubert last night as most Lebanese participants had arrived in Switzerland to attend tomorrow's national reconciliation conference.

Jemayel said he hoped the talks would mark the "turning of a new page in Lebanon's history."

Arriving a day earlier, Druse leader Walid Jumblatt said: "I hope the conference will lead to peace in Lebanon." Then he shrugged and added: "We shall see."

Syria and the National Salvation Front in the past have demanded that Lebanon abrogate its U.S.-sponsored May 17 troop withdrawal pact with Israel. If this demand is repeated at Geneva, some observers fear the talks could be torpedoed unless Jemayel finds a way to back out of the May 17 agreement.

The eight men who will attend the talks with the president include three Maronite Catholics, two Sunni Muslims, two Shia Muslims and one Druse.

The Christians — Phalange leader Pierre Jemayel and former presidents Camille Chamoun and Suleiman Frangieh — were allies in the 1975-76 civil war against a coalition of Muslims and Maronites.

tion of Palestinians and mostly Muslim Lebanese leftists. But the alliance fell apart in the late 1970s amid intra-Christian blood feuds.

Today Frangieh, 73, is one of the three leaders of the National Salvation Front, along with Jumblatt and former prime minister Rashid Karami, a 61-year-old Sunni who is the leading politician in Tripoli.

The other Sunni is former prime minister Saeb Salam, a shrewd 78-year-old Beirut who has often acted as go-between for people unwilling to meet each other face to face.

The key Shia at the talks is Nabih Berri, an articulate 44-year-old lawyer and head of the Amal militia that last summer ejected the Lebanese Army from Beirut's Shia slums. The Shias number about one million and form the largest single religious sect in the country.

Berri sides with the National Salvation Front against Jemayel's government but maintains his independence.

The other Shia is ailing, 78-year-old Adel Ossseiran, a former prime minister who for the past decade has had no power base. He was a compromise candidate when the Syrians rejected parliament Speaker Kamel Assad, a Shia.

Grenada injures two marines

BEIRUT (AP, Reuter). — Two U.S. Marines were slightly wounded yesterday when a rocket-propelled grenade hit their position. Marine spokesman Major Robert Jordan said both men remained on duty.

The incident occurred shortly after Lebanese President Amin Jemayel flew to Switzerland in an attempt to reconcile his country's warring leaders.

Meanwhile, Italian Defence Minister Giovanni Spadolini said yesterday that Italy would need to reconsider its role in Lebanon's multinational peace-keeping force if Lebanese reconciliation talks this week in Geneva fail.

Speaking at a press conference, Spadolini added that "any reconsideration by Italy would be made in close coordination with its American, French and British partners in the force."

From Metulla it was reported last night that two persons were killed yesterday while preparing an explosive device about six kilometres north of Tyre. Security forces are searching the area and investigating whether the two were responsible for the attacks on Israel Defence Forces soldiers last week in South Lebanon.

Light arms fire was directed Friday at an IDF patrol in Buri a-Shmali just east of Tyre, the IDF spokesman said. No Israelis were injured.

A Lebanese radio report said that Shia Muslim Amal militiamen exchanged fire with Israeli troops in Tyre, but gave no further details. It was not known if the radio and the IDF spokesman were referring to the same incident.

U.S. set to retaliate against Iran, Syria

By WOLF BLITZER
Jerusalem Post Correspondent

WASHINGTON. — Administration officials confirmed yesterday that the U.S. is preparing retaliatory steps against Iran and possibly even Syria, given the widely held assessment throughout the U.S. intelligence community that both countries share responsibility for the Beirut blasts last week which killed nearly 300 U.S. and French soldiers.

As an immediate first step, the U.S. may ask Lebanese President Amin Jemayel to shut the Iranian Embassy in Beirut. That embassy is seen by the Americans as a "hotbed" for organizing terrorist actions against the marines and other members of the multinational peacekeeping force.

U.S. officials have repeatedly spoken of "circumstantial evidence" implicating Iranian and Lebanese Shia terrorists in the attack.

One example of that evidence, informed U.S. officials said, was the extensive activity witnessed at the Iranian Embassy just as the truck bombings occurred very early Sunday morning — one week ago.

French intelligence agents, they said, were charged with monitoring activity at that embassy and they recorded seeing several Iranians quickly leaving the embassy, getting into cars and driving away from Beirut almost at the moment the two bombs exploded.

Last Wednesday, Reagan told Republican Jewish leaders during a closed-door meeting at the White House: "I think the evidence that I have is sufficient that this last horrendous act involved Iranian terrorists, and they were facilitated in

their entry and in the provisions of the munitions by the Syrians."

Yet despite this concern over Syrian involvement, the Americans have publicly been very cautious in criticizing Syria. U.S. officials cited the need to win further Syrian cooperation in the Lebanese national reconciliation talks scheduled for this week in Geneva.

Thus, there was no specific reference to Syrian involvement in Reagan's nationally televised address last Thursday evening.

Another option under consideration, U.S. officials said, is either a ground commando or aerial strike against Iranian positions near Baalbek. That is the headquarters of the pro-Iranian Lebanese Shia group known as the Islamic Amal, headed by Hussein Musawi.

In his speech Thursday night, Reagan repeated — albeit more cautiously — many of the same justifications for the marine presence in Lebanon which he had delivered off-the-cuff at a news conference earlier in the week.

"We have another reason to be involved," he said. "Since 1948, our nation has recognized and accepted a moral obligation to assure the continued existence of Israel as a nation. Israel shares our democratic values and is a formidable force an invader of the Middle East would have to reckon with."

Haddad says he's back

METULLA. — Christian militia leader Sa'ad Haddad announced on Friday that he has resumed command of his South Lebanese army following a 10-day rest ordered by his doctors.

In a statement broadcast on his Voice of Hope radio station, Haddad said he would work "for the liberation of Lebanon."

The former Lebanese Army officer temporarily relinquished command of his forces after undergoing 10 days of treatment at Rambam hospital in Haifa early in October. Haddad said at the time he suffered from fatigue and denied reports that he suffers from cancer.

Hundreds more soldiers are expected to be inducted into the Haddad forces this week. Most of them are Shias and they are to undergo a three-month course of training.

Some sources in South Lebanon doubt whether the ailing Haddad will be able to resume his duties.



U.S. Marine and Barbados soldier guard Cuban prisoners at the Point Salines airport. (UPI telephoto)

Arens: U.S. 'distancing itself'

Jerusalem Post Staff

TEL AVIV. — Defence Minister Moshe Arens charged on Friday that American problems in Lebanon stemmed largely from a U.S. policy of "distancing itself" from Israel ever since it sent in the marines.

In a speech to the Commercial and Industrial club here, Arens said that instead of working in concert with the Lebanese and Israeli governments against the inroads of Soviet-backed Syria, Washington had consistently worked to create the impression that it was supporting the Lebanese against Israel.

In another statement yesterday, Arens said Israel would not agree to any changes in its May accord with Lebanon which would jeopardize Israeli security.

Arens made the statement to a Christian Lebanese radio station as

Lebanese President Amin Jemayel prepared for national reconciliation talks in Geneva.

Arens said the U.S.-mediated accord provided security arrangements beneficial to both Lebanon and Israel.

In his Tel Aviv speech Arens said the Americans have gone out of their way to demonstrate that they are not strategically coordinated with Israel. They refused to send the marines into Beirut Airport until the Israelis left, and refused to take over positions directly from Israelis before they moved in, he said.

"The policy was to demonstrate that the coordination and cooperation, which I believe to be so important, was not there, because American policy in general was that it should not exist," Arens said.

He rejected the argument that

Israel was partly to blame for the chaos in Lebanon because it withdrew from the Shouf Mountains. He said that once it became clear that the U.S. did not want to coordinate its moves with Israel, "we had to concentrate primarily and exclusively on our own most important interests." These, he said, were to prevent terrorist attacks on Israel's northern settlements and to ease the burden on Israeli troops in Lebanon.

Arens reiterated Israel's belief that Syria was responsible for last week's bombings. "Anyone who knows our area and has studied it, has no doubt on this question," he said.

"Only one force has the motivation to carry out such acts; they are an integral part of its ethnic norms, and it has the means to do it. That force is the Syrians, and behind them the Soviets."

U.S. undecided on degree of cooperation

By WOLF BLITZER
Jerusalem Post Correspondent

WASHINGTON. — The Reagan administration is still undecided over the proper degree of U.S.-Israeli strategic cooperation on the eve of high-level discussions in Jerusalem this week.

Under-secretary of state for political affairs Lawrence Eagleburger and assistant secretary of state for Near Eastern and South

Asian affairs Richard Murphy have scheduled talks in Israel designed to coordinate strategy in Lebanon and the Middle East as well as elsewhere around the world, including Central America and Africa.

Their mission, while originally set several weeks ago, has taken on added urgency in the aftermath of the bombing of U.S. Marine headquarters in Beirut a week ago.

Secretary of Defence Caspar

Weinberger and Secretary of State George Shultz are said to be at odds over the proper degree of cooperation with Israel. This surfaced during a National Security Council meeting last week. Weinberger is much more sensitive to Arab concerns. Shultz is prepared to work more closely with Israel in Lebanon.

National Security Adviser Robert

(Continued on Page 2, Col. 1)

Labour goes with Likud over Mapam protests

By MICHAEL YUDELMAN
Jerusalem Post Reporter

TEL AVIV. — With wide smiles and much back-patting, Mayor Shlomo Lahat and defeated Alignment candidate Dov Ben-Meir on Friday signed a coalition agreement between the Likud and Alignment factions of the municipal council.

"This is an historic turning point for the city, whose significance goes beyond local politics," Lahat told an impromptu press conference. "Tel Aviv has set the tone for solving many public and political issues by forming a coalition between the two large parties," he said.

The decision to form a joint Likud-Alignment executive was reached Friday morning, following marathon discussions throughout Thursday night. Prime Minister

Yitzhak Shamir, Energy Minister Yitzhak Moda'i and Alignment leaders Shimon Peres and Haim Bar-Lev, as well as Histadrut Secretary-General Yeroham Meshel, were all consulted and approved the coalition, it was reported.

But Likud and Alignment leaders who were not consulted were reported turning over news the coalition agreement. When Lahat yesterday telephoned Finance Minister Yigal Cohen-Orgad asking for financial help to pay October salaries to city workers, for instance, Cohen-Orgad demanded that Lahat include the religious factions in the coalition. He said he would only respond to the request if he receives assurances on the coalition issue. Both Lahat and Ben-Meir indicated at the press

conference that their party leaders were fully aware of the coalition agreement and approved of it.

Ora Namir and Yossi Sarid were among the prominent Labour Party members who yesterday accused Peres of having approved the coalition agreement in Tel Aviv without consulting any official party forum.

Mapam also announced last night that the agreement was a farce, since the party was opposed to it, despite Lahat's and Ben-Meir's statements that it was unofficially approved by Mapam. Sources in Mapam said that the Alignment faction in the Tel Aviv council will break up, with Mapam remaining in opposition.

Mapam councillor Arye Zucker last night blasted Ben-Meir and other faction leaders for signing the

Subhuman conditions at Beersheba jail

By ROBERT ROSENBERG
and LIORA MORIEL
Jerusalem Post Reporters

It will take at least a year for any substantial improvement to be made in what every government official aware of the matter says are "animal-like" conditions for prisoners held in the Beersheba lockup.

From Ya'acov Markovitz, head of the police department in the Interior Ministry and Minister Yosef Burg's top administrator for police matters, all the way down to the guards outside the cells, the Beersheba police station lockup is considered the worst in the country.

Minors are held in a separate cell, but are free to mingle in the common corridor with other prisoners during the day. Sodomy is not an uncommon occurrence, admit some officials.

One high-ranking police officer said there have been many instances of self-mutilation by prisoners "desperate to get out." Other officials, including Markovitz, admit that there is "an epidemic" of self-mutilation at the lockup, which was originally supposed to accommodate 45 prisoners but now regularly holds about 75.

Markovitz asserted, however, that self-mutilation — slashed wrists and the burning of parts of the body — occurs in prisons the world over.

The problem, all involved agree,

is that the Prison Service no longer has room to hold all those remanded into police custody until the end of litigation against them. And when it does not have room in a special wing at Ramle Prison, it hands detainees back to the police, who then must find a place for them.

Compounding the problem is growing public pressure on the police to get criminals off the street — especially drug dealers and those arrested on charges involving battery. As a result the courts have been remanding more suspects than ever until trial.

Ironically, local judges in Beersheba have been ordering detainees released because they are aware of the conditions in the cells.

A rare peek inside the holding cells was offered recently to Menahem Horowitz, head of the Social Affairs Ministry's correction services. His report to Burg and to Attorney-General Yitzhak Zamir merely echoed what the police have been saying for years, and in particular what the police reported in a recent internal investigation to uncover reasons for a wave of breakouts and attempted breakouts.

He said he saw "scenes reminiscent of England of the 19th century and of Dickens' stories."

According to Horowitz, detainees sleep on floors for lack of beds; are



Barbed wire serves as the "roof" for the main corridor of the Beersheba holding cells. Note the drainage grating for winter rains, which penetrate into the open air corridor. It is into this corridor that prisoners and detainees are allowed out for "exercise." (Barak)

Cubans fight on U.S. triples Grenada force

BRIDGETOWN, Barbados (AP). — The U.S. tripled its invasion forces on Grenada, and U.S. warplanes and artillery attacked Cuban riflemen who military leaders said could hold out for weeks in their mountain strongholds.

Military officials said Friday that U.S. troops were increased to 6,000, and that from 300 to 500 Cubans fled to the rugged mountains in the central part of Grenada, where it could take weeks to flush them out.

Reporters flown to Grenada by the U.S. military on Friday could hear sporadic gunfire. But U.S. officials have refused to allow reporters to remain on the island.

Grenadan journalist Alister Hughes, who arrived here on Friday from the embattled island, said looting was "horrific" in the capital.

"The looting in St. George's and in houses in the suburbs frightens me. Two more nights and I don't know if we'll have a town left. They burned the police station Thursday night," he said.

Members of a multinational Caribbean Security force have taken up positions in St. George's, and plans were being made to bring in emergency food and supplies for a tired and hungry civilian population.

Navy Vice-Adm. Joseph Metcalf, head of the U.S. Marines and Army Rangers on Grenada, said there were 500 Cuban defenders still unaccounted for.

Adm. Wesley McDonald, commander of all U.S. forces in the

Atlantic, said on Friday that "it could be weeks" before the fighting ends. He listed the U.S. casualties so far as 11 killed, 67 wounded and seven missing.

Metcalf said the number of Cuban prisoners on Grenada grew to about 650 during the day Friday, when several dozen came down out of the hills to surrender. He said at least 36 resistors had been killed and 36 wounded, nearly all of them Cubans.

In Havana yesterday, Cuban government radio, broadcasting a "report to the people" by President Fidel Castro, said the Cuban ambassador in Grenada had been unable to get an answer from American authorities on proposals for the evacuation of Cuban personnel and casualties.

The broadcast, monitored in Miami, accused the U.S. government of using "the Cuban corpses, wounded and prisoners in Grenada to blackmail, pressure and humiliate Cuba."

Adm. McDonald said on Friday that a captured top-secret document showed that Cuba planned to build a force of about 6,800 troops on Grenada and take over the island with their own government.

McDonald said the Cubans still fighting, possibly with some die-hard Grenadians, "will present a problem" which may take weeks for U.S. forces to neutralize.

"Documents indicate that at least 1,200 are on the island," McDonald said.

He reported that the captured Cubans and Grenadians are being held at the Point Salines airfield on the southwest tip of the island.

USSR: U.S. fire wounded Soviet diplomat in Grenada

MOSCOW (AP). — The Soviet Union on Friday accused the U.S. of firing on its embassy in Grenada and said an embassy staffer was wounded, the official news agency Tass said.

It said the Soviet Embassy was fired on by American Air Force planes on Wednesday, the day after the U.S. launched an invasion of the

Caribbean island.

Tass said a protest note was delivered to the U.S. Embassy in Moscow.

A spokesman at the U.S. Embassy said: "We can confirm we did receive a protest from the Soviets along the lines described by the Tass news agency. Beyond that, we have no comment."

On Tuesday, after the invasion was launched, the U.S. Embassy informed the Soviet Union of the operation and said it would guarantee the security of Soviet nationals there.

Meanwhile, in Washington the Republican-controlled Senate voted 64-20 Friday to require President Ronald Reagan to withdraw U.S. forces from Grenada within the 60-day limit of the War Powers Act.

The Senate action came the day

(Continued on Page 2, Col. 6)

Lebanese arak marked up 800%

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — Israeli retailers of Lebanese arak will this week begin to offer the liquor for sale at an 800 per cent mark-up over the price paid to the Lebanese maker.

The 51-proof alcoholic drink with the aniseed taste, of the famous Zahlawi brand, will be the first product from Lebanon sold in Israel since 1948. The first consignment of 12,000 bottles was brought into the country by the Middle East Trading company, a subsidiary of the Danot concern, earlier this month. Sale will begin on Tuesday.

Although the firm paid only \$1.50 a bottle, the price to purchasers here will be \$1,100 (about \$13) because of 300 per cent customs duties, transport costs, the printing of Hebrew labels and the profit margins for wholesalers and retailers.

\$1,100 is far more expensive than Israeli-made arak, which retails for under \$200, but will compete with the Ouzo type imported from Greece.

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EVERY SUNDAY

The weather at major Swissair destinations

29.10.83	MIN	MAX	WIND	WEATHER
AMSTERDAM	10	30	15	Cloudy
BRUSSELS	5	41	12	Clear
BRUXELLES AIR	15	24	75	Cloudy
CHICAGO	11	52	32	Cloudy
COPENHAGEN	1	30	10	Clear
FRANKFURT	4	43	12	Cloudy
GENEVA	1	39	14	Clear
HILVERSUM	0	32	5	Clear
HONG KONG	21	70	28	Clear
KOLARASBURG	15	63	23	Clear
LISBON	15	59	17	Clear
LONDON	3	21	10	Clear
LONDON	5	48	19	Clear
MADRID	22	72	25	Cloudy
MONTREAL	2	28	11	Clear
MUNICH	6	44	19	Clear
OSLO	3	27	7	Clear
PARIS	3	27	7	Clear
RUDELSHOF	17	63	28	Cloudy
SAD PAULI	10	59	13	Clear
STOCKHOLM	14	57	22	Clear
TORONTO	13	56	23	Clear
VIENNA	5	41	12	Clear
ZURICH	1	30	14	Clear

THE WEATHER

Forecast: Partly cloudy to cloudy.

Yesterday's	Yesterday's	Today's
Humidity	Min-Max	Max
Jerusalem	16-23	21
Golan	17-25	23
Nahariya	13-27	26
Safed	11-27	22
Haifa Port	12-28	27
Tiberias	14-29	29
Nazareth	17-27	25
Afula	11-30	29
Shimon	15-27	25
Tel Aviv	14-26	26
Be'er Sheva	14-26	26
Jericho	16-31	30
Gaza	16-28	27
Beer-Sheva	17-31	29
Eilat	16-29	29

Oman, South Yemen vow to bury hatchet

MUSCAT (Reuters). — Oman and South Yemen decided to end 16 years of hostility and establish diplomatic relations to help minimize tensions in the region, Omani Information Minister Abdul-Aziz Rowass said yesterday.

Rotterdam police seize terrorist weapons

AMSTERDAM (JTA). — Following a tip from Brussels police, Rotterdam police on Wednesday raided the flat of a Syrian living here and found two machine guns that may have been used in the attack on the Israeli ambassador Shlomo Argov in London, synagogues in Paris and Vienna and the Goldenberg restaurant in Paris, all last year.

U.S. UNDECEID

(Continued from Page One) McFarlane was yesterday reported to be trying to arrange some sort of final compromise between Weinberger and Shultz in time for the drafting of instructions needed by Eagleburger and Murphy.

They are expected to meet with Prime Minister Yitzhak Shamir, Defence Minister Moshe Arens and other senior Israeli officials during their scheduled November 1-6 stay. The trip comes just as U.S. President Ronald Reagan is about to name a new Middle East envoy to replace McFarlane, recently appointed to the National Security adviser post. U.S. officials said that former defence secretary Donald Rumsfeld, who held the post in the Ford administration, is the leading candidate.

The New York Times said that former U.S. ambassador to Egypt Alfred Atherton might also be named a special envoy. Under such circumstances, the newspaper said, Rumsfeld would have responsibility over events in Lebanon, and Atherton would be involved in the broader Arab-Israeli peace process.

White House officials insisted the president has not yet made a final decision. Last Thursday, Reagan said: "I will soon be announcing a replacement for Bud McFarlane, who was preceded by Phil Habib. Both worked tirelessly and must be credited for much, if not most, of the progress we've made."

Grenada regime started in zoo

By ABRAHAM RABINOVICH
Jerusalem Post Reporter

Netanel Lorch suspected that Grenada was going to have serious political troubles back in 1972, when he found the administrative offices of the emergent state located in the local zoo.

The Israeli diplomat, who was subsequently to serve as Knesset Clerk, had been sent to the Caribbean island, then about to receive national independence, to determine whether its leadership was amenable to establishing relations with Israel.

He found its capital, St. George's, a picturesque town draped around a harbour and set off by lush foliage. Atop the hill overlooking the town, in best colonial tradition, was Government House, accommodating her British majesty's representative — at that period an attractive mulatto lady doctor.

Apart from Government House and the residence of the outgoing chief secretary, there were no offices to house the ministries of the emergent state. Thus it was that Lorch was directed to the zoo, where the ministries had taken over different administrative buildings within its grounds, said Lorch last week in an interview.

The exotic venue was not merely an amusing curiosity for the veteran diplomat but a portent. "Below a certain critical mass of population and resources, the idea of a modern sovereign state is a caricature. Grenada didn't have the population or resources of Petah Tikva."

Without this minimal critical mass, said Lorch, there is an open invitation for an outside force to take over. "That was my conviction then, that this country would be up for grabs. With a population of 100,000 and a few

HOME AND WORLD NEWS

Muzorewa defends call for ties with Israel

HARARE, Zimbabwe (AP). — Bishop Abel Muzorewa, prime minister of the short-lived Zimbabwe-Rhodesia government, arrived home yesterday defending his suggestion that the Zimbabwe government establish diplomatic ties with Israel. The idea has caused outraged protest here.

At a press conference, Muzorewa denied that he had met any Israeli government officials during his month's stay in the country, and said Zimbabwe government allegations that he was in Israel to plan a

campaign were "nonsense." The bishop, a member of parliament and leader of the minority United African National Council party, was strongly criticized for an interview last week in which he told Israel Television that Zimbabwe's socialist government should work with the Israelis, using their advanced agricultural technology to improve farming methods.

Muzorewa was in Israel for a month studying at the non-denominational Jerusalem Centre for Biblical Studies, on a trip funded

by the worldwide Council of Bishops of the United Methodist Church, he said.

At the press conference, he defiantly repeated the suggestions that have brought a storm of protest from his government, which refuses to reestablish ties with Israel.

"I discovered that 30 countries of Africa alone are clever enough and dedicated to the people sufficiently to try to develop their respective countries by using Israeli expertise," Muzorewa said.

"Are we not prepared to try and get such help when we are facing the problems we are today?" he asked.

He said he had been "moved to the bone" by the "miracles" achieved by Israel's agricultural technology.

But last week, Zimbabwe Minister of Information, Posts and Telecommunications Nathan Shamuvira said Zimbabwe would never have diplomatic links with Israel "because of the Zionist state's actions against the Arabs."

Egypt court forces regime to legalize New Wafd Party

CAIRO (AP). — An Egyptian court yesterday overruled government objections and upheld the legality of the opposition New Wafd Party, an offshoot of Egypt's largest political party under the monarchy overthrown in 1952.

The administrative court ordered revocation of a decision by the governmental committee on

political parties to the effect that the New Wafd had disbanded itself in 1978, that it has no legal existence now and that it must apply for a new license if it wants a comeback.

The court ruling was reported by the state-run Middle East News Agency and confirmed by New Wafd leader Fuad Serageldin.

"I am very happy with this ruling

because it renders justice and restores right," the 73-year-old Serageldin said.

"This ruling does justice not only to a political party but to the cause of democracy and constitutional legality," he said. "I congratulate the whole of Egypt on this ruling."

Serageldin said he had called a meeting of the party's supreme

committee for later in the day to plan for the future.

Some Egyptians believe the New Wafd, by virtue of its old roots going back to the early 1920s, could pose the most serious opposition challenge to the ruling National Democratic Party if the group decides to run in next April's parliamentary elections.

Expert: Israel can profit from Reagan foreign policy

By LEA LEVAVI
Jerusalem Post Reporter

Israel, and particularly the current Israeli government, can benefit from the new Reagan foreign policy, Nimrod Novik of the Centre for Strategic Studies said during an interview broadcast on Friday evening on Israel television and Gali Zahal.

He explained that both the upcoming American elections and the lessening of economic problems has created a policy climate of "let Reagan be Reagan." Reagan's per-

sonality, and the mood of the American people, call for the U.S. to retaliate when slapped in the face.

"I am not saying Americans are eager to rush into battle, but the mood in the country is different from what it was in the mid 1970s," Novik said. "There will be some objections to things like the invasion of Grenada or the marines' presence in Lebanon, particularly from traditional isolationists and from Liberal elements who object to the use of force, but the majority of the American people want an ac-

tivist policy."

"There will be noisy protests in Europe, but the White House today believes the U.S. should behave like a great power and that means leading NATO rather than being led by European protesters," he added. Under the Carter administration, American policy was unclear and inconsistent, and the Russians could not judge the threshold of American patience. Today, things are different.

Since Reagan's personal tendency is pro-Israel, Novik thought relations between the two countries

will be particularly good during this period of "let Reagan be Reagan." He also thought the current Israeli government will benefit in particular, since Reagan has made it clear that he will ask for no concessions from Israel until there is a partner, on the Arab side ready to negotiate. Since there is no such partner at the moment, Israel will not have to deal with the issue of Judea and Samaria, he said. In Reagan's dichotomy of "good guys" and "bad guys," Israel is on the right side of the fence and will benefit accordingly, Novik believes.

Canada approves Ben-Horin

By DAVID LANDAU
Post Diplomatic Correspondent

Canada on Friday gave its formal agreement to the appointment of Eliav Ben-Horin as Israel's next ambassador to Ottawa. Ben-Horin, a senior assistant director-general at the Foreign Ministry, will take over from Yehayahu Anug, who will return to Jerusalem to head the ministry's European section.

The present section head, Ze'ev Sufot, who was recently named assistant director-general, is expected to receive an ambassadorship. (Anug already holds the rank of assistant director-general.)

These various moves will take place in sequence over a period of months. Ben-Horin will take over in Ottawa in January. Anug will spend some time in the U.S. and Europe before returning to take over the European section in the spring; and Sufot will leave for his new posting soon after.

Other recent appointments in the

senior echelons of the Foreign Ministry:

Pinhas Eliav to head the international organizations section. Eliav, an assistant director-general, previously ran the ministry's research centre.

Yosif Biran to become an assistant director-general and take over the administration of the ministry. Biran is now minister in London.

Zvi Kedari to become an assistant director-general and take over the Middle East Section. Kedari has served as head of the Egypt Department; this post will now be filled by Neville Lapidin.

Mordechai Drori to become head of the Economics Section. Drori has served until now as assistant director-general for administration. Shammai Kahana, ambassador to Denmark.

Yosif Hadass, ambassador to Belgium and Luxembourg presented his credentials to both countries on Friday. He was formerly envoy to Denmark.

Nitzanim hit-and-run driver ordered held for 10 days

ASHKELON (Itim). — A Gaza resident was on Friday ordered detained for 10 days by the Ashkelon Magistrates Court on suspicion of having killed two girls in a hit-and-run accident outside the Youth Aliva Nitzanim school two weeks ago. The suspect, Walid Ziad Naaman Mansour, 27, father of four, told the court he was innocent.

But yesterday, Rav-Pakad Menashe Ezra of the police's Lachish region told a press conference that Mansour had admitted his guilt to the police and helped them reconstruct the crime.

A total of 11 persons, 10 of them pedestrians, were killed in road ac-

cidents last week. Five of the victims were children.

One of the dead was Nava Raviv, 16, of Kiryat Haim, who died last night of severe injuries received when the vehicle in which she was one of the four passengers hit an electricity pole and turned over. The three other passengers were also badly injured. The driver, 18, received light injuries.

An ambulance overturned several times while turning sharply on a curve on the Yeroham-Dimona road last night. The driver and four passengers were taken to Soroka Hospital in Beersheba, where they were reported to be out of danger.

Ghali says Egypt rejects partial agreement

CAIRO (AP). — Egyptian Minister of State for Foreign Affairs Butros Ghali said here on Friday that Egyptian policy aims at a comprehensive peace in the Middle East and rejects partial agreements. Ghali made his remarks to reporters on his return from a one-day trip to Lebanon, where he met with President Amin Jemayel and other officials.

Ghali's visit followed an announcement here on Thursday that President Hosni Mubarak had ordered his top officials to intensify diplomatic contacts with western and Arab nations to urge restraint and renewed peace efforts in the aftermath of last Sunday's bombings in Beirut of U.S. and French military installations.



Defence Minister Moshe Arens signs a condolence book at the U.S. Embassy in Tel Aviv in honour of the marines who died in the Beirut bombing. (IPPA)

U.S. death toll in bombing reaches 229

WASHINGTON. — The U.S. death toll in the bombing at the headquarters of the U.S. marine peacekeeping force in Beirut has now reached 229, the Pentagon said yesterday.

It said the search for bodies in the debris continues.

In Dover, Delaware, 14 marines and one navy man who died in Beirut last Sunday were honoured at a military memorial service at the Dover U.S. air force base.

Their bodies were the first of the men who died in the bombing to arrive home.

Meanwhile, the bodies of 56 French soldiers killed in last week's car bomb attack in Beirut arrived at a military air base in the Normandy town of Evreux yesterday, army officials said.

Fifteen other French soldiers were injured in the November 23 attack, and two others are officially listed as missing but are presumed dead.

Unrest continues in W. Bank camps

Jerusalem Post Reporter

Sporadic unrest continued yesterday in the West Bank, with curfews on the Jalazun refugee camp north of Ramallah and Askar camp near Nablus continuing into the third day. Several arrests were reported.

A curfew was also imposed on the Dahiya camp south of Bethlehem for several hours yesterday after youths stoned passing Israeli traffic. Local sources reported that soldiers fired shots in the air to disperse a demonstration inside the camp, but military sources had no knowledge of this.

Roadblocks at the northern and southern approaches to the camp

alongside the Bethlehem-Hebron road redirected cars belonging to West Bank Arabs through a circuitous route via Beit Jalla.

Four students at the An-Najah University in Nablus, residents of the Balata refugee camp in the city, were detained yesterday and their homes searched. Local sources also reported that a Palestinian flag was raised at one of the mosques inside the Nablus market.

Circulars calling for a general strike on Wednesday to mark the anniversary of the Balfour Declaration have also been distributed in the West Bank.

Ghanian tourist bitten in ear by drunk friend

EILAT (Itim). — A tourist from Ghana was brought to the Josephat hospital here yesterday with part of his ear torn away. A local police officer said that a friend, while drunk,

had assaulted him and bitten him in the ear.

Police later arrested a suspect in the attack, another tourist from Ghana.

Police catch suspect in rape of girl 6½

BAT YAM. — A special team of the local police last Wednesday apprehended a 23-year-old resident on suspicion of having raped a 6½-year-old girl on the previous weekend.

The suspect fits the description given by the child, and police have succeeded in breaking his alibi. The man is unemployed and has no criminal record. (Itim)

Kleiner motion backs Americans on Grenada

MK Michael Kleiner (Likud) on Friday presented an urgent motion for discussion in the Knesset backing the American invasion of Grenada.

In his motion, Kleiner said: "Everyone who values freedom is today with the American soldiers liberating Grenada from a bloody, Russo-Cuban regime."

"Israel, as part of the free world, must openly align itself with the American administration which has proved by its action in Grenada that it understands that for the sake of freedom it is sometimes necessary to fight and make sacrifices," he said.

Negev Moslem graves cleaned by volunteers

BEERSHEBA (Itim). — The Moslem cemetery here was cleaned up in a voluntary operation on Friday by members of the Committee to Help and Defend the Rights of the Beduin in Israel.

Among the volunteers were several Beduin sheikhs, members of Beduin tribes in the Negev and Jews from Beersheba and Ben-Gurion University.

CONCERNED. — Simha Diniz has been chosen president of the Committee for Concerned Citizens, succeeding President Chaim Herzog.



Tel Aviv Mayor Shlomo Lahat (left) on Friday morning goes over the Likud-Labour coalition agreement with Dov Ben-Meir. (Uzi Kerem)

TEL AVIV COALITION

(Continued from Page One)

to enable Lahat to have two more deputies, one from the Front and another from the Likud.

Prime Minister Yitzhak Shamir last night contacted Mayor Lahat and asked him to make sure that the religious parties are not excluded from the coalition.

Religious Front leader Haim Basok, who was until now deputy mayor, said last night that he would join the coalition if the status quo concerning Friday night activities is maintained. His demands also include measures to prevent Sabbath desecration, the sale of pork and the posting of obscene posters.

The portfolios previously held by the Religious Front, including the education, tourism and veterinary departments, are again being offered to the Front under the agreement.

Ben-Meir said the Alignment faction hopes in these difficult times to

obtain more of its goals working from within the coalition rather than from the opposition.

But the new coalition's way is far from smooth. Labour faction members promise the Likud stiff battles on several issues. Woloch has already announced his plan to expand nightlife activities on Sabbath eve.

The composition of the council is now Likud 14, Alignment 10, Religious Front 3, Shinui 2, Abie Nathan 1, Independent Liberals 1.

Independent Liberals Faction Leader Yitzhak Artzi yesterday expressed satisfaction with the coalition agreement, which "is good for Tel Aviv." Artzi, who until now was deputy mayor and whose faction lost one of its two mandates in the elections, said he would join the coalition if offered an appointment concerning the city's cultural and social life.

'March of the Refusedniks' today in British capital

By HYAM CORNEY

Jerusalem Post Correspondent

LONDON. — World Jewish leaders from some 16 countries gathered here with weekend for two major events aimed at focusing international attention on Soviet Jewry. World Jewish Congress President Edgar Bronfman and World Zionist Organization President Arye Dulzina are joining an estimated 10,000 people in "The March of the Refusedniks" today from Hyde Park to the Soviet Embassy. There, an attempt

will be made in a petition demanding the release of prisoners of Zion and an end to the harassment of Soviet Jews who wish to study their culture.

After the march, the Jewish leaders will begin a two-day conference of the world presidium on Soviet Jewry. The conference will give urgent attention to the worsening situation, which has seen a virtual shut-off of emigration and hardening of the campaign against the Jewish cultural movement.

Only 40 votes separate Peled, Amit in Ramat Gan

RAMAT GAN (Itim). — Incumbent mayor Israel Peled got 40 votes more than his runner-up Uri Amit in Tuesday's municipal elections, but neither garnered the necessary 40 per cent needed to become mayor. Peled received 38.9 per cent and Amit 38.7 per cent. The run-off vote will be held on November 8.

The distribution of 23 seats in the Ramat Gan city council will be: Alignment 10, Likud 7, Citizens List 2, United Religious List 2, Ayin Vav 1 and Tadar 1.

In Haifa, with the votes of soldiers counted, the final line-up of seats in the city council is as follows: Alignment 13, Likud 4, United Religious Front 3, Haifa On the Right Path (Yael Rom) 2, Shinui 2, Independent Liberals 1, Democratic Front 1, Young Peoples' List 1.

The final distribution of seats on the Netanya council was Alignment 7, Likud 5, Our Netanya 4, NRP 2, Agudat Israel 2, outgoing mayor Reuven Kligler 1.

Israeli invasion 'set UN back \$13m.'

UNITED NATIONS (AP). — UN Secretary-General Javier Perez de Cuellar, in a report issued Friday, estimated at \$13,216,276 the damage from Israel's 1982 invasion of Lebanon to UN refugee relief and other facilities in that country.

The report to the current General Assembly session was requested in a resolution adopted last December 16, at the 1982 session. The estimates were based largely on a survey the UN Relief and Works

Agency for Palestine refugees made in refugee camps.

Damage was estimated at \$4,610,143 to UNRWA camp buildings, equipment, furniture, supplies and basic commodities, and \$7,007,000 to camp roads and paths and to water, drainage and sewerage facilities.

The report showed that three other UN operations, including UNESCO and UNIFIL, reported damage or other costs from the invasion that added up to \$1,599,133.

USSR CHARGES

(Continued from Page One)

after the Democrat-dominated House of Representatives foreign affairs committee approved a similar measure, 32-2, which is scheduled to come before the full house for a vote tomorrow.

The measure declared that the timetable of the 1973 act was put into effect when marines and army paratroopers landed on the Caribbean island on Tuesday.

That timetable calls for troop withdrawal within 60 days unless Congress declares war or otherwise authorizes U.S. forces to stay longer.

Thousands of protesters rallied outside American diplomatic missions in Spain, Brazil and Austria, and governments elsewhere issued new condemnations Friday of the U.S.-led invasion of Grenada.

In the Caribbean, however, Jamaican Prime Minister Edward Seaga declared that he would again support a similar invasion if he perceived a threat.

Jamaica was one of a half-dozen

Caribbean island nations to contribute small contingents of troops or police to the Grenada occupation force.

In Madrid, a crowd police estimated at about 5,000 burned American flags and effigies of Uncle Sam in a rally in front of the U.S. Embassy sponsored by the Communist Party.

About 100 people demonstrated in Sao Paulo, Brazil at the U.S. Consulate, sending a petition to consular officials calling for a U.S. withdrawal from Grenada.

In downtown Vienna, about 1,000 young people rallied outside the U.S. Consulate in a peaceful protest.

New criticism of the American move came from the leadership of Zambia and the Belgian government. An editorial in the *Times of Zambia* characterized Reagan as "a brute and a rogue."

In Brussels, the government asserted its "unwavering support" for the principle of non-intervention in internal affairs of states and non-use of force.

We regret to announce the passing of

GERDA HERRMANN

widow of Dr. Heinz Herrmann

The funeral will take place today, October 30, leaving at 12 noon from the Sanhedria Funeral Parlour for Givat Shaul Cemetery.

Miriam and Hillel Bat-Daniel Herrmann
The grandchildren and great-grandchildren

Devaluation may mean end of discounts Airlines tighten terms of payment

By JOSHUA BRILLIANT
Jerusalem Post Reporter

TEL AVIV. — Airlines operating in this country moved on Friday to protect themselves against devaluations by instructing travel agents to pay for tickets they sell according to the latest exchange rate. The move is expected to make it more difficult for agents to offer reductions. It will probably also force them to change the procedure by which they pay the airlines.

An announcement by the panel of airlines operating in Israel issued on Friday said the new arrangement will go into effect on Tuesday, November 1. Until now, agents paid for tickets on the 15th of each month, according to the exchange rate which prevailed on the first. This arrangement gave them leeway to offer reductions to customers.

Dov Adiv, head of the local El Al office and the panel's chairman, said that the airlines operating here lost \$7 million last summer when the shekel was devalued by 7.5 per cent between the first and the 15th of the month. Losses were another \$10m. to 11m. following the recent 23 per cent devaluation.

Travel agents reacted angrily to the demand. One agent said that it takes time until he gets paid by big clients. Dues pass until his invoice reaches the company, payment is approved and the cheque is sent to him. Some period of grace until he pays the airlines is therefore necessary, he said.

Eli Blau, head of the Travel Agents Association said the airlines panel had promised not to take any steps without consulting the agents. The agents will convene shortly to decide on their response, he said.

Production cost cut, but users pay more for electricity

By DAVID RUDGE
Jerusalem Post Reporter

HAIFA. — Electricity production costs went down in dollar terms this year from 7.5 cents to 6.7 cents per kilowatt hour, thanks to the use of coal at the Hadera station, where three of the four 35-megawatt units are on line. Electric Corporation general manager Yitzhak Hafi told an audience at the Haifa Engineers Club on Friday.

But the price to consumers rose, he said, because of inflation and devaluation of the shekel. Even so, customers are still not paying the "real price," because of continued government subsidies, and this has encouraged the public to buy heaters and air conditioners — thereby pushing up demand.

Hafi predicted that further price hikes as government subsidies are reduced, coupled with the difficult economic situation and the consequent drop in buying power, will bring demand down.

Nevertheless consumption is ex-

pected to grow at an average rate of 5.5 per cent a year, making it essential for work to start soon on the new Ashkelon power station, with its generating units of 550 megawatts each. Hafi said he hopes, now that municipal elections are over, that the local planning committee there approves the project, which has been delayed for several months.

Hafi said that more generating units could be added to existing sites at Haifa, Hadera or Ashdod without the need for purchasing additional land. But the National Council for Planning and Building has banned any more generating units on the coast, and the corporation is having to look at inland sites — probably in the North.

On the question of ecology, Hafi agreed that this is a major problem for the corporation, since the burning of oil or coal is bound to cause some pollution. The corporation was doing its best to combat the problem, using all the latest technology.

Orgad's school cuts same as Aridor's

Cuts in the education budget planned by the Treasury will be discussed at a meeting today between Finance Minister Yigal Cohen-Orgad and Education Minister Zevulun Hammer.

A Treasury spokesman said that his minister's proposals are in fact the same as those of his predecessor, Yoram Aridor, who wanted to slash budgets — including those of the universities — by 7 per cent.

Some sources spoke of raising university tuition to the equivalent of \$1,000 a year as early as the next semester, in February 1984.

Cohen-Orgad is on record as saying that university tuition fees have to be raised, he added. But sources at the Education Ministry, said on Friday that Hammer would be hearing about the Treasury plans for the first time today.

The finance minister's meeting with Hammer will open a week of consultations with various cabinet and economic bodies about the implementation of his austerity programme.

Tomorrow, the minister will meet with Histadrut Secretary-General Yeroham Meshel.



An archaeologist examines a ritual site that may be the altar built by Joshua.

Dig may have found altar built by Joshua

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — An important Israelite ritual site from the 12th century BCE settlement of Samaria containing what may be the altar Joshua built on Mount Ebal (Joshua VII:30-32) has been unearthed by a Haifa University archaeological team.

The find was made during the third season of excavations conducted by Prof. Adam Zertal at the site in a closed military area.

A university spokeswoman said in an interview on Friday that the dig followed an archaeological survey of northern Samaria, where the tribe of Manasse settled.

On the crest of a branch of Mount Ebal, 940 meters above sea level, a very carefully constructed stone wall was found. It enclosed an area of about three dunams, empty except for a large central complex in whose centre there stands a seven-by-nine metre structure made of large stones and filled with stones and earth. It appears the placing of the fill was deliberate, because it also contained ashes and bone remnants of sheep.

At the bottom of the structure, several installations whose nature is not clear, were found.

Attached to the western side of the wall, two stone-paved courtyards were unearthed. They contain several structures containing ashes, bones of sheep and clay vessels were found.

The courtyards were surrounded by dozens of small structures of square or circular shape. In most of these the archaeologists found clay vessels that appear to have been deliberately placed.

"Several other unusual things were also discovered at the site," the spokeswoman said. Zertal himself could not be reached as he is confined to bed.

The discovery has no parallel in the country, she stated. Dating of the many ceramic shards found made it possible to determine that the ritual site was in use for only a

short period in the 12th century BCE, and was then abandoned.

Prof. Binyamin Mazar, Dean of the country's archaeologists, who kept track of the dig and visited the site considers the find "a most important ritual site, unique in character," she said. The Haifa University team plans to continue the dig next spring.

Joshua's altar is first mentioned in Deuteronomy XXVII: 1 to 8. In verse 4, Moses issued specific instructions: "Therefore it shall be when we have gone over Jordan, that we shall set up these stones, which I command you this day, in Mount Ebal, and thou shalt plaster them with plaster."

In the book of Joshua VII, verses 30 to 32, the carrying out of Moses' command is described: "Then Joshua built an altar unto the Lord God of Israel in Mount Ebal, as Moses the servant of the Lord commanded the children of Israel as it is written in the book of the law of Moses, an altar of whole stones over which no man hath lift up any iron: and they offered thereon burnt offerings unto the Lord and sanctified peace offerings."

Correction

The lecture by Simha Dinitz in the Centre for Conservative Judaism's Hebrew University Forum, took place last week, and will not be tomorrow, as published in the Capital Calendar of *The Jerusalem Post's* local supplement. The editors apologize for the mistake.

Barcelona group studying welfare

By CHARLES HOFFMAN
Jerusalem Post Reporter

When the newly elected Socialist administration in Barcelona, Spain, started its overhaul of local government in 1979 after decades of Franco-era stagnation, one of the countries it looked to as a model for welfare services was Israel.

Initial contacts began several years ago, and now a nine-person delegation from the Barcelona social services department has just completed a two-week study tour of the welfare system here in a trip sponsored and organized by the Israeli Ministry of Labour and Social Affairs. Several members of the delegation were interviewed on Thursday.

For the head of the delegation, city councillor Francesca Masgoret, it was not her first visit. She was here in 1961 as a young social worker interested, among other things, in kibbutz life. She came again in 1978 with another social worker. Now she holds the social services portfolio on the city council.

"Before the Socialists took power in Barcelona, there were no social services in the modern sense, only

which of course had been appointed by Franco. We had to build a completely new department," she said. Barcelona is an industrial city of two million people in northeastern Spain, where the native inhabitants speak the regional language of Catalan.

Ramon Nicolau, director of the city's social services department, traditional charity organizations of the church and the government,



Francesca Masgoret, Barcelona city councillor (D.R. Guthrie)

explained that many social problems in the area have stemmed from the migration of unskilled people from the south seeking work. "Since they don't speak Catalan and make up the lowest class of the society, we have a combination of difficult social and cultural problems," he said.

The high unemployment level throughout Spain, about 16 per cent, creates its own problems and makes others worse, such as juvenile delinquency. Jose Luis Mateus, a Barcelona police inspector, said he had learned here that police and social services can work together — something that was inconceivable in Spain under Franco.

Masgoret said that "many educated people, and especially the Socialists, follow events in Israel. The Bible too creates an interest. And even though 300 years have passed since the Inquisition, people in Catalonia continue to feel a Jewish presence in Jewish family names, street names and the old Jewish Quarter."

The Foreign Ministry regards the visit as a positive development in the growing ties between Spain and Israel.

Police hold suspect in IS1.5m. bank snatch

ASHKELON (Itim). — Police on Friday arrested a man from a moshav in the Lachish region suspected of involvement in the IS1.5 million robbery from an Ashkelon bank earlier in the day.

Witnesses told police that two armed and masked men forced their way into the Discount Bank branch in the commercial centre seconds

after closing time at noon and made off with their haul in seven minutes. They sped away from the bank in a 1983 Ford Sierra, which was later found abandoned in the Givon Zion quarter in the eastern part of the city. Police assume that the pair fled from there to a still unidentified destination. The Ford Sierra was stolen in Ashdod, police say.

Bank employees told police that one of the robbers was armed with an Uzi and the other with a pistol. They kicked in the bank's glass entrance door. While the one with the Uzi stood guard outside, his accomplice warned the five bank customers and 18 employees not to move while he scooped up the cash at the tellers' booths.

Haifa lawyer, Acre student restricted

By YOEL DAR
Special to the Jerusalem Post

HAIFA. — The military authorities have issued an order restricting the movements of Haifa attorney Mohammed Mi'ari and Acre student Misra Nais Sa'id. Under the order, which runs for six months, the two must stay at home from dusk to dawn and report to the police twice a day.

The men received their orders several hours after their release on bail from custody on Thursday.

Mi'ari and Sa'id were arrested two weeks ago on suspicion of having held meetings with Palestine Liberation Organization leader Yasser Arafat and the head of the PLO political department, Farouk Kaddumi, at a conference on

Palestine in Geneva last summer. Left-wing organizations claimed that the arrest of the two was an attempt to deter them from continuing their political activities.

Mi'ari has attended rallies and demonstrations against the war in Lebanon and government policy towards Israeli Arabs. He is an active member of the Committee for Protection of Arab Land. Mi'ari claimed that his meeting with the PLO leaders was public and within the framework of last summer's conference.

Over 20 Arab and Jewish Israelis belonging to various left-wing parties and other organizations attended the conference, which aimed at gaining political support for the Palestinians.

Help asked for baby

Jerusalem Post Reporter

BNEI BRAK. — A committee of citizens is attempting to raise \$100,000 to have a local baby suffering from water on the brain treated at Columbia Presbyterian Hospital in New York, after doctors at Beilinson Hospital recommended the move. The child's large family, however, cannot defray the costs and anyone wishing to help is asked to send a contribution to account number 483600, Mizrahi Bank, 13 Rehov Hazon Ish, Bnei Brak.

YIDDISH. — The World Jewish Congress has announced in New York that it has established a new department to strengthen the growth of Yiddish language and culture.



Na'amat President, Masha Lubelsky (left) leads marchers who yesterday morning walked the seven kilometres from Moshav Gilgal to the memorial at Phatsael in the Jordan Valley. The march was an expression of Na'amat's solidarity with settlements in the valley. The banner is that of the Ir'on agricultural high school in Hadera. (Simonsky, Israel Sun)

BEERSHEBA JAIL

(Continued from Page One)

not allowed legally permitted visits by family members or given access to newspapers. Most significantly, no medical services are available.

He said he visits many prisons around the country, "but the situation in Beersheba is the worst by far."

"The country's other police detention centres do not offer good conditions either. Almost all the police stations were former British military posts, and none were designed to include holding cells."

"In the Beit She'an police holding cell, for example, the only running water comes from a faucet directly above a hole in the floor which serves as a toilet. Mattresses are not always available. Overcrowding is a regular condition."

"I don't think criminals should be held in conditions that are more appropriate for animals," said Horowitz, referring to Beersheba.

"Markovitz was offended when asked about the last time Burg had visited the Beersheba police station. The ministers' spokesman, Yitzhak Agassi, said Burg visited "two years

ago, I think. I don't remember."

In the last year, there have been several dozen breakout attempts — most unreported in the press. Several successful breakouts have earned headlines, but there are almost daily incidents involving the burning of mattresses, as desperate prisoners riot.

Markovitz has recently begun a series of reforms in several holding cells throughout the country. The Beersheba cells are eventually to be expanded to include both floors of the two-storey building, and the police station offices will be moved to nearby leased premises, he said.

The Russian Compound holding cells in Jerusalem are undergoing renovation, including the construction of a separate wing for minors. In the meantime, minors, except at night, are in the company of adult criminals. Work is also underway at the Abu Kabir lockup in Tel Aviv.

A senior police source, long bitter about general working conditions of the police force and the living conditions of detainees, was not at all surprised at the vehement tone with which Horowitz reported to the interior minister.

"There are ministers who pound on tables, who threaten to leave the coalition. There are ministers who believe their budget is sacrosanct. And then there are ministers who prefer to survive," he said, in an oblique reference to Burg.

Markovitz said that while authorization has already been given by the budgets department of the Interior Ministry to revamp the Beersheba cells, it will take a year to complete the work.

"That is no big help," said the high-ranking police source from national headquarters. "For 35 years," he added "this police force has had to catch criminals under conditions that few others forces would accept. We've had a drastic increase in crime, but when we catch villains, we have no place to put them."

The Jerusalem Post asked the Beersheba police to allow a reporter into the holding cell area, to see conditions first hand. But despite the police chief's own concern about the problem, he had to turn down the request, saying it was a decision to be made at higher levels.

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U.S. vetoes UN motion on Grenada

Post Correspondent
and agencies

UNITED NATIONS — The Grenada resolution submitted to the UN Security Council by Guyana, Nicaragua and Zimbabwe on Friday drew a veto from the U.S. in an 11-1 vote for passage on Friday, with three abstentions.

The veto killed the motion, which called the invasion a "flagrant violation of international law."

Nicaragua and Cuba said they would move to put the issue before a special session of the General Assembly. No veto exists there, and the Third World majority is certain to adopt a resolution denouncing the intervention. But unlike Council resolutions, those adopted by the Assembly are not legally binding.

France and the Netherlands, dramatizing their disapproval of the U.S. military operation, voted in favour of the resolution along with the Soviet Union, Poland, China, Jordan, Malta, Pakistan, Guyana, Nicaragua and Zimbabwe.

Britain, which expressed "serious doubts" about the U.S. led invasion, abstained together with Togo and Zaire.

Just before the vote, Soviet Ambassador Oleg Troyanovsky said the U.S. had committed a "bandit-like attack" on Grenada that must be termed "a crime against humanity."

The Soviet envoy told the Council that "the American war machine of imperialism is now going full steam ahead."

Responding, U.S. deputy delegate Charles Lichtenstein

declared that the U.S. is not pursuing any "imperial goals."

"We will, as we can, assist in the defence of freedom. As we are able, we will assist in the establishment and the restoration of democratic institutions, particularly when they have been cruelly and violently destroyed," he said before raising his hand to signal the American veto.

Earlier, Ambassador Jeanne Kirkpatrick, the chief U.S. delegate, defended the U.S.-led military action, saying it was necessary to end "an authentic reign of terror" on the Caribbean island following the murder of its prime minister. She argued that UN Charter prohibition against the use of force is "not absolute."

The resolution would have deeply deplored the invasion as a "flagrant violation of international law and of the independence, sovereignty and territorial integrity" of Grenada and called for "an immediate cessation of intervention and the immediate withdrawal of the invading troops from Grenada."

Speaking later with reporters, Kirkpatrick said "there isn't anything unusual in the fact that the U.S. is isolated in the UN. Let me remind you that Israel is also always isolated in this building."

Israel did not participate in the discussion. But one Israeli diplomat expressed satisfaction over what he called the "beginning of the invasion of Grenada to the Israeli invasion of Lebanon, arguing that in

both cases, Israel and the U.S. "aimed at destroying a threatening pro-Soviet radical force in their backyard."

He added that "the fact that the U.S. was willing to use its power to defend its global interests is encouraging from an Israeli point of view."

Arab delegates, on the other hand, criticized the invasion of Grenada. Arab League Ambassador Chavis Maktoud, speaking on behalf of the Arab members in the Security Council said the American move was "a very dangerous precedent." He added that "any internal problem or political crisis in any Third World country could spur the super-powers to settle their accounts in localized areas."

Referring to the U.S., he said that those who were advocating self-determination for the people of Grenada should not assume a "double standard" when it came to the self-determination for the Palestinian people.

Meanwhile, there were several demonstrations against the American involvement in Grenada and Lebanon in New York and other places around the U.S.

The liberal American Jewish group *New Jewish Agenda* participated in a large demonstration in New York. Some of their members carried signs with the word "Shalom" in Hebrew. Leaders of major American Jewish organizations have been debating whether to issue a statement of support for the American move in Grenada, but appear to be divided over the issue.



U.S. Ambassador to the UN Charles Lichtenstein (top right) casts the only "no" vote to veto a UN Security Council resolution on Friday against the invasion of Grenada. John Thomson of the UK abstained, despite confidential words between the ambassadors just prior to the ballot in lower picture. (UPI telephoto)

2 children dead in major U.S. earthquake

BOISE, Idaho (AP). — A major earthquake and dozens of aftershocks shook the northwest region of the U.S. from North Dakota to Oregon on Friday, killing two schoolchildren as it cracked walls, rocked buildings and forced some residents to seek safety in the streets, authorities said.

It was the strongest quake recorded in the 48 contiguous states since 1959, said Don Finley of the U.S. Geological Survey, and the first such quake since 1971 to claim lives.

Nicaragua accuses Honduras of attack

MANAGUA (Reuters). — Four coast guard boats from Honduras fired on two coast guard boats from Nicaragua in the Gulf of Fonseca last night, the Nicaraguan Foreign Ministry said.

The ministry said in a statement it feared these incidents were provoked by the U.S., which it said

N. Ireland gunmen kill policeman

LONDONDERRY, Northern Ireland (AP). — Two gunmen and a young woman killed a police officer in Londonderry's northern outskirts on Friday while he was arranging a weekend outing for children in a Roman Catholic area, police reported.

A spokesman at Londonderry's police headquarters said Constable

Attack on Turkish Embassy in Beirut foiled

BEIRUT (Reuters). — Guards yesterday beat back two gunmen who attacked the Turkish Embassy here, and police captured one they said confessed to being a member of an underground Armenian group.

Police said the gunman told them

Chinese spot oil slick in search for U.S. ship

PEKING (AP). — Searchers looking for an American oil drilling ship missing four days after a typhoon discovered more life jackets and an oil slick but no sign of the ship, China's official Xinhua news agency reported yesterday.

Chinese ships were searching for a lifeboat spotted on Friday by a Chinese helicopter and trying to learn more about a large object on the seabed that produced metallic echoes in sonar detectors, Xinhua said. It was not known whether

Pope urges U.S., Soviets continue arms talks

VATICAN CITY (Reuters). — Pope John Paul yesterday said he made a personal appeal to Soviet leader Yuri Andropov and U.S. President Ronald Reagan to persevere with the Geneva talks to limit nuclear arms.

In a speech to the final meeting of

'Cordial' traveller leaps from airliner in U.S.

HARRISBURG, Pennsylvania (AP). — A "very pleasant" passenger jumped on Friday from the emergency door of a commuter plane as it flew toward Washington, D.C., at 1,067 metres, an airline official said.

The 30-passenger plane, on a flight from Harrisburg, was flying just north of York, Pennsylvania, when the man leaped, said Pennsylvania Airlines vice-president William Clark.

"He was very cordial, very pleasant, according to the passengers," Clark said. "About 10 minutes after the flight began, he unbuckled his seatbelt, walked to the rear of the plane, pushed open the door and dove out."

THE ISRAEL SINFONIETTA
Conductor: Yoav Talmi
Soloists: Hung-Kuan Chen — piano
Erela Talmi — flute

- Rossini: "La Scala di Seta" Overture
- Mozart: Piano Concerto No. 27 in B flat Major, K. 595
- Partos: "Visions" for Flute, Piano and Strings, with Sara Fuxon-Heyman — piano
- Haydn: Symphony No. 101 in D Major, "The Clock"

Sunday, October 30, 1983, at 8.30 p.m.
In the YMCA Auditorium

'Candid' Sino-Soviet talks help mutual understanding

PEKING (Reuters). — China and the Soviet Union yesterday announced that their special envoys will meet in Moscow next March for a fourth round of talks on normalizing bilateral relations, frosty since a bitter ideological split two decades ago.

A communique, agreed by the two sides and issued in Peking by the New China News Agency, said the third round of discussions, held here this month, "proceeded in a calm and candid atmosphere."

It added: "The two sides found the consultations useful and agreed to hold the next round of consultations in Moscow in March 1984."

The communique was published just a few hours after the Soviet negotiating team, led by Deputy Foreign Minister Leonid Ilyichov, flew home after a three-week stay in the Chinese capital.

Ilyichov declined to answer reporters' questions at Peking Airport, but his Chinese counterpart,

vice-Foreign Minister Qian Qichen, said their meetings had been "helpful in the sense of increasing mutual understanding."

Diplomatic sources noted that the brief, jointly-agreed statement, made no mention of the three obstacles which China has maintained must be removed before normalization is possible.

China is demanding that Moscow remove its large troop and missile concentrations along the Chinese border, pull its forces out of Afghanistan and end support for Vietnam's occupation of Kampuchea.

At the airport yesterday, Qian took Ilyichov's arm and walked with him to the steps of his special Aeroflot plane, smiling and chatting. Questioned by reporters, the Chinese vice-minister said the serious obstacles hindering normalization still remain. "There are still big differences" he said.

UN deadline to S. Africa on Namibia

UNITED NATIONS (AP). — The UN Security Council on Friday, by a vote of 14-0 with only the U.S. abstaining, adopted a resolution giving South Africa to the end of this year to remove remaining barriers to the independence of Namibia, or South-West Africa.

The resolution, twice revised to win broader support, was sponsored by the Third World members — Guyana, Jordan, Malta, Nicaragua, Pakistan, Togo, Zaire and Zimbabwe.

One revision of the resolution by the sponsors moved up from December 1 to December 31 a deadline given UN Secretary-General Javier Perez de Cuellar for reporting to the council on its implementation. Another revision deleted a December 31 deadline for

a council meeting to review progress on such implementation and substituted a provision that the council should meet "as soon as possible" following the secretary-general's report.

But left unchanged in connection with that review was the stipulation that, "in the event of continued obstruction by South Africa," the council would "consider the adoption of appropriate measures" under the UN Charter.

American Ambassador Charles Lichtenstein seemed to have that in mind when explaining his abstention, he said the U.S. was disturbed by what seemed to be an allusion to the possible use of Chapter 7 of the charter — which authorizes sanctions against any country found to be threatening or breaching international peace.

India, China extend border talks

NEW DELHI (AP). — India and China agreed yesterday to extend their border talks by one day to enable more discussions on the boundary issue, an Indian government spokesman said.

The spokesman said the talks, originally scheduled to conclude yesterday would end today because officials from both sides "feel there is a need to discuss more."

The fourth round of border talks, which began on Monday, were held

in strict secrecy amid tight security, and neither side would disclose if any progress was achieved.

India and China have held three rounds of negotiations since December, 1981 toward settling their boundary disputes without success.

The disputes arose from their 1962 border war, during which China took control of 36,500 sq. km. of Indian land in the northern Indian region of Ladakh.

N. Korea says U.S. violated airspace

TOKYO (AP). — A U.S. Air Force SR-71 reconnaissance plane violated North Korean airspace and "committed espionage" twice on Friday, the official North Korean Central News Agency said yesterday.

KCNA, in a dispatch monitored in Tokyo, said the high-speed, high-altitude plane entered North Korean airspace at 0304 GMT

south of the Kangryong Peninsula, and again above territorial waters east of Kosong at around 0442 GMT on Friday.

"The air intrusion and espionage of the U.S. imperialist aggressors were a gross violation of the armistice agreement and a high-handed encroachment on the sovereignty of North Korea," the report said.

Jailed Solidarity heads offered exile

WARSAW (AP). — Polish authorities have offered to allow 11 jailed Solidarity leaders and advisers to leave the country instead of facing trial and possible death sentences, a government spokesman said on Friday.

The 11 include seven senior Solidarity leaders, who face a possible death sentence for allegedly taking steps to overthrow the government, and four members of the Committee for Workers' Defence, KOR, charged with the lesser crime of plotting to overthrow it.

Most of the 11 have been in police custody since the December 1981 martial law declaration which

suspended Solidarity, the only free trade union in the Soviet bloc.

Relatives of the accused persons disclosed offers of "one-way passports" last summer, but the reports were denied by government spokesman Jerzy Urban.

Disclosure of the new offers, by one of Urban's assistants, came four days before the expiration of a government amnesty declared with the July 22 lifting of martial law.

A relative of one of the KOR members, Zbigniew Romaszewski, said he would probably not agree to leave the country. The earlier passport offers were also turned down, according to relatives of the accused.

Dutch princess in anti-missile protest

THE HAGUE (AP). — Princess Irene, the younger sister of Dutch Queen Beatrix, spoke out yesterday against the scheduled deployment of new NATO missiles as more than 300,000 anti-nuclear demonstrators, including uniformed soldiers, marched through The Hague.

The royal family in this constitutional monarchy has a severely circumscribed official role, and virtually never speaks out on public issues.

But Irene said she was not speaking for the royal house, and told a rally of tens of thousands in a park that she "refused to go on living like this," in the shadow of the projected deployment of the cruise missiles.

In West Germany, about 500 anti-missile activists blocked the gates to the U.S. army's Waldeide base in Heilbronn in the second weekend of protests against NATO's plan to

deploy 572 new U.S. missiles in West Germany, Britain, Italy, Belgium and Holland beginning in December.

Nearly 200,000 Danes marched under cloudless autumn skies in 10 cities in Denmark yesterday in peaceful nationwide protests against the nuclear arms race.

In Copenhagen, a crowd estimated at more than 100,000 assembled at four locations.

Peronists rally on eve of Argentine vote

BUENOS AIRES (AP). — Hundreds of thousands of Peronists jammed a downtown avenue Friday night to hear the recorded voice of the party's later founder, Juan Peron, and a promise from its presidential candidate Italo Luder

to return the movement to power in today's general elections.

The giant Peronist rally on 9th of July Avenue and political gatherings by other parties in the capital and interior cities marked the end of a tumultuous campaign by candidates seeking election to national, provincial and municipal posts.

Luder, 66, and Raul Alfonsin, 56, of the centre-left Civic Radical Union, which seeks to break nearly 40 years of Peronist dominance of Argentine politics, are the favourites in the race to replace President Reynaldo Bignone, the

last of a series of military presidents who have ruled for more than seven years.

Alfonsin, an attorney who drew between 600,000 and 800,000 backers to a Buenos Aires rally on Wednesday, ended his campaign with a Friday night speech to supporters in Rosario, Argentina's third largest city, 370 kilometres north of the capital. The official news agency Telam estimated the crowd there at more than 200,000.

The Peronists, who had vowed to top the Alfonsin rally, at least matched it.

THE ISRAEL CHAMBER ORCHESTRA

Concert No. 1 — "For All the Family"

Patron: His Excellency the British Ambassador, Patrick Moberly

"MUSIC FROM THE BRITISH ISLES"

Conductor and announcer: Arie Vardi
With Robin Weissel-Capovato, soprano
Tali Glazer, harp
Hanan Friedmann, trumpet

The Efroni Choir, Emek Hefer Regional Secondary School — Conductor, Maya Shavit

Works by Purcell, Britten, Haydn and others
Tel Aviv Museum, Recanat Auditorium

Wednesday Nov. 2, Series 1, 4.30 p.m.
Series 2, 6.00 p.m.

Thursday, Nov. 3, Series 3, 4.30 p.m.
Series 4, 6.00 p.m.

SALE OF SUBSCRIPTION TICKETS CONTINUES at the Orchestra's offices.
Asia House, 4 Weizmann, Tel Aviv, Tel. 210102/3/4.

B & B Advt.

Haifa Symphony Orchestra

1983/84 (34th) Season Subscription Concert No. 2

Conductor: Oras Schneider
Soloist: Mark Seltzer (USA), piano

Bach-Webern: Fugue — Ricerare, from "The Musical Offering"
Brahms: Concerto for Piano and Orchestra, in D Minor, No. 1
Schubert: Symphony in E Major, Op. Posth., premiere performance

HAIFA AUDITORIUM — 8.30 p.m.

Series 1, Sunday, Nov. 6
Series 2, Monday, Nov. 7

Subscription Concert No. 3

KRAYOT — Beit Nagler, Kiryat Haim — 8.30 p.m.
Series 3: Saturday, Nov. 5

Advance sale of tickets at the Orchestra's office, 50 Pevsner, Haifa, Tel. 04-641873; at Garber, Tel. 04-84777; at Beit Nagler, Tel. 04-720607, and at the hall, on evening of performance.

THE ISRAEL PHILHARMONIC ORCHESTRA

TEL AVIV,
Mann Auditorium, 8.30 p.m.

SUBSCRIPTION CONCERT No. 2

SHALOM RONLY-RIKLIS conductor

BATSHEVA Dance Company

Programme of works by:
Pavlovik, Ravel and Tchaikovsky
Series 7 Tuesday, 30.10.83
Series 8 Monday, 31.10.83

TEL AVIV,
Mann Auditorium
Tuesday, 1.11.83, 8.00 p.m.

YOUTH CONCERT No. 1

SHALOM RONLY-RIKLIS conductor

BATSHEVA Dance Company

Programme of works by:
Ravel and Tchaikovsky

TEL AVIV,
Mann Auditorium, 8.30 p.m.
Series 4: Tuesday, 1.11.83

SUBSCRIPTION CONCERT No. 2

SHALOM RONLY-RIKLIS conductor

BATSHEVA Dance Company

Programme of works by:
Pavlovik, Ravel and Tchaikovsky

TEL AVIV,
Mann Auditorium, 8.30 p.m.

SUBSCRIPTION CONCERT No. 3

CHARLES DUTOIT conductor

ANDRAS SCHIFF piano

Programme of works by:
Varese, Mozart & Shostakovich

Series 1: Saturday, 5.11.83
Series 2: Monday, 7.11.83
Series 3: Tuesday, 8.11.83
Series 4: Thursday, 10.11.83
Series 5: Saturday, 12.11.83

JERUSALEM, Binyamin Ha'uma

Sunday, 6.11.83, 8.30 p.m.

SUBSCRIPTION CONCERT No. 3

CHARLES DUTOIT conductor

ANDRAS SCHIFF piano

Programme as for Tel Aviv
Series 1-5

TEL AVIV,
Mann Auditorium
Wednesday, 9.11.83, 8.30 p.m.

LIGHT CLASSICAL MUSIC

Concert No. 2

CHARLES DUTOIT conductor

ANDRAS SCHIFF piano

Programme
Rossini Overture to William Tell
Mendelssohn Piano Concerto No. 1
Saint Saens, Danse Macabre
Tchaikovsky Nutcracker Suite

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PROGRAM FOR NOVEMBER, 1983

Monday, November 7: THE STORY OF BRITISH ALIYA
Lucien Harris, WZO External Relations Department

Monday, November 14: MY EXPERIENCE IN AMERICA
Benjamin Abi-Leah, Israeli Consul-General in Washington, recently returned to Israel

Monday, November 21: FAMILY HAVUROT: CAN THEY RESTORE THE ZIONIST IDEAL?
Dr. Harel Fishman, Member World Zionist Executive, Head of New Family Education Division

Monday, November 28: THE POLITICAL SITUATION TODAY
Dr. David Ritchie, Senior Lecturer in Political Science and American Studies, Hebrew University
Admission: IS 50
Next at November 27, 1983.
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NOW THAT Yitzhak Shamir and Shimon Peres are talking *tachlis*, one may wonder out loud whether the Labour leader has been made privy to one of our deepest and darkest state secrets — Shamir's home phone number.

The premier-designate spent long years in the Lehigh Valley and the Mossad, and apparently developed a taste for secrecy. Since he entered public life, I've been told, Shamir has set an Israeli record for switching his phone number. Last year, he is said to have had the number changed three times, each time getting his good friend and ally, Communications Minister Mordechai Zipori, to effect the change.

Only his innermost circle of confidants know how to dial directly to the foreign minister. And Shamir is known to become exceedingly disturbed when some enterprising journalist does manage to ring him up at his residence.

MEANWHILE, the unknown has been perplexing Herut faithful all week. They are trying in vain to determine whether or not Prime Minister Menachem Begin has extended his blessing to Shamir as his heir-designate.

One Herut source has been circulating the story that, when Economic Coordinating Minister Ya'acov Meridor came to the premier's residence with the news of Shamir's 60-40 victory over Deputy Premier David Levy, Begin blurted out: "That's a surprise."

It was not clear whether that remark should be taken as an indication of preference for the man from Beit She'an, or merely surprise over the size of the Shamir margin. Begin, it should be remembered, has never acted too kindly towards prospective Herut heirs, designating Liberal Shlomo Eliezer as acting premier and once going to the ranks of a junior coalition partner to make the National Religious Party's Education Minister Ze'evulun Hammer his stand-in.

In any event, it has taken very little provocation to get Shamir to describe the very warm blessing he

got from Begin, together with a statement that the Herut leadership is his for the taking, if he wants it.

ONE-MAN RULE is over, and a troika has taken over. That's the way many describe the frequent meetings at Shamir's Foreign Ministry office of the FM, Defence Minister Moshe Arens, and Deputy Premier Levy. At midweek, Levy appeared to have taken over the job of the group's spokesman by default, in face of his colleagues' silence on the up-and-down national unity talks with Labour.

THREE GUESSES DEPT. Are the current Likud-Labour talks just an old-fashioned public relations performance on the part of both our biggest parties? Is it the prelude to an exercise in musical chairs? Or is it a game of blind man's bluff? Perhaps the best answer to these and other questions came midweek from Herut's Gideon Gadot, on a Gali Zahal panel show. Said Gadot: "The politicians allowed themselves to be pushed out on a limb by the media. Right now, all we can do is wait and see who falls off first."

FOR ANYONE who sees something positive in the inclusion of both Shimon Peres and Yitzhak Rabin (together with Knesset whip Moshe Shalom, party secretary-general Haim Bar-Lev and ex-minister Haim Zadak) on the Labour negotiating team, this comment from one party source should be instructive: "Rabin and Peres are like two book-ends; if one is shifted, the entire shebang will collapse."

Among those opposing the talks, Haim Ramon, the youngest and newest Labour MK, was the most eloquent. "The Labour Party will adopt any motion jointly proposed by Peres and Rabin, even if it resolves that the world is flat," he grumbled.

enable him to pass as a true believer in Mekor Baruch. He wore a very old cloth cap and an equally worn overcoat. Clearly he was not a member of the elite, the heavily bearded, black-hatted and black frock-coated students of Gamaara, but there was no question about his piety. Maybe he was a man who worked with his hands for a living, a porter perhaps, very ignorant, but devout.

Then he launched into a bitter Hamletian condemnation of books, the flood of books in which Jews are drowning. He declared in fury that, for Jews, books have become life itself. I must admit, recalling visits to Book Fairs in Binyanei Ha'uma, that I sympathized with him. All those thousands and thousands of books printed each year, on top of

all those already in existence. He seemed to have a point. Fortunately, throughout the rest of this excellent and absorbing film, he never returned to this startling theme, which, I think, he used to shock us out of expecting clichés from him, rather than to set a keynote for what was to follow. In fact, he dealt subsequently at some length with a writer's agonies of creation.

FROM THIS view of the place where Oz was born and bred, which seemed to be rather like the portico of hell, we were transported at great speed, on the magic carpet of the camera cutting from one scene to another, to what appeared to be a suburb of heaven for the writer — Kibbutz Hulda, where he went when he turned 14.

Here we saw some lovely shots of Oz telling a story to his beautiful son, who listened with rapt attention. The contrast with our imagined picture of Oz's own childhood was very startling and inspired deep pity. This was fine television.

Thereafter the film consisted of a series of dialogues and soliloquies, without very much action. But it was all fascinating stuff and never palled.

The weakest portion was what purported to be a debate between the very left-wing writer, who has cried "Havoc!" ever since the far right started to re-shape Israel into Greater Israel, and the leaders of Gush Emunim. I suspect that the film-makers thought that this scene was a great scoop, proof of how extremes can be brought together in rational discourse: they all sat together in comfort, surrounded by shelves full of books despite Oz's loathing for such things, and they even addressed each other by their first names. The idea, presumably, was to show us that people holding opposing views can talk with each other.

The trouble with the execution was that they never really talked with each other, only at each other: we heard a series of oratorical monologues rather than a dialogue. It was hard to imagine that the Gush Emunim group went home determined to scrap their settlements, or that Oz now had the slightest doubt that these settlements are as politically disastrous as they are morally wicked.

HIS DEBATES with Yitzhak Ben-Aharon, the veteran kibbutz leader, were far more successful and dramatic. Ben-Aharon complained that no writers — not even Oz himself — have ever been inspired to do justice to the theme of the wonderful transformation the creators of the kibbutz achieved. They cut themselves off completely from an old life and brought into existence something new, something amazing, full of new modes of thought and behaviour.

Oz tried to explain that to him people like Ben-Aharon are rather like a monument — he said that he was inhibited by a sort of censor from writing about a monument, he preferred to write about people in torment. He mentioned Dostoyevsky focussing on a poor student committing a murder instead of on all the mighty events taking place in Russia during his time. Ben-Aharon was interested, but obviously not impressed.

The sage of the kibbutz said he worries about the third and fourth generations. What has happened to them, and what will become of them? It is indeed a sobering thought that so many young Israelis were only infants in 1967, the great watershed in Israel's history, and that they grew up with our domination of the West Bank an ac-

complished, everyday fact in their lives.

Earlier on, Oz told us that every novelist must "suffer some great trauma in his youth if he is to become a writer. This does not mean, he stressed quickly, that everybody subjected to an early catastrophic blow will be a writer — perhaps he will be a murderer, or will pursue some other calling, without setting finger to pen or typewriter.

In reply to Ben-Aharon, he said that for people like him, the Six Day War and its aftermath changed everything: manifestly, those days were as traumatic for him in their way as that youthful experience at 12 had been. Suddenly he found himself "outside the fence." Israel was no longer his world, his country, his home, where he could feel at ease and sure of himself and his nation and its values.

HE IS RIGHT. The deep chasm in Israeli life had its origins in that year of miraculous conquest, which was even more devastating to our national unity than the Yom Kippur War or the nonsensical invasion of Lebanon. All the old ideals were turned topsy-turvy: the chauvinists even stole the terminology of the founding fathers, words like "pioneering" and "settlement" once holy for people like Ben-Aharon, were taken over like second-hand clothes to adorn the zealots, who gave them unpleasant connotations.

Of course, kibbutz ideology had lost much of its impetus and dynamism under the insidious fifth column inroads of affluence. The marvellous new way of life described by Ben-Aharon was inspiring as a means of overcoming the wicked dragons of the early years of the century — the oppression of capitalism, the power of autocratic fathers, the irrational organization of the means of production, the lack of cooperation in a society in which every man's hand is against his fellow.

But, for the most part, these evils have been overcome, in a less radical way than that of the kibbutz, in Israeli middle-class society. People do not need to go to a kibbutz to have decent relations with their children, and protection against the threat of starvation at a boss's whim. The instinct to raise the standard of living has proved to be common to townies and kibbutz dwellers alike; the end of austerity and

Notes from the underground

PUBLIC FACES / Mark Segal



Yitzhak Shamir

planned opening at year's end.

From other sources, I have learned that the initial investment is in the million-dollar vicinity, and that legal affairs are being handled by the office of Herut MK Ronnie Milo.

THE FLUID political situation has prompted former foreign minister Abba Eban to postpone a scheduled trip to the U.S. Eban was recently informed that his latest book, *The New Diplomacy*, due out early October, has been selected by the Book-of-the-Month Club.

HERUT ACCOUNTANTS may be wondering why the party is still financing "Youth for Israel," the noise-making group led by former Hebrew University right-wing activist Yisrael Katz. The organization, launched to provide a platform for former chief-of-staff Rav Aluf (res.) Rafael (Rafal) Eitan, was recently converted into a comfort-

table launching pad for the comeback attempt of the once-unstoppable Arik Sharon. On inquiry, I discovered that bills for YF's posters and publicity material are still being paid by Metzudat Ze'ev, the Herut HQ.

THE REPORT in *Harper's* this month, which said that Teddy Kollek was the first to finger Klon Philby as a Soviet mole in British intelligence, is certainly worthy of a response from Jerusalem's City Hall. His honour wasn't available — he was apparently busy in his re-election campaign against Herut's Shlomo Tomsia-Cohen but I did manage to reach Teddy's spokesman, Rafi Devara. Devara told me that Kollek met Philby in Vienna in 1934, and had been present at his marriage to Frieda. When Philby joined British intelligence, he concealed his communist marriage and posed as an anti-communist.

According to Devara, Kollek, as director-general of David Ben-Gurion's Prime Minister's Office, was in Washington on business in the early Fifties and went to see someone at the CIA offices. Walking down the corridors, he spotted Philby, who did not recognize him. Teddy asked his American escort what "that communist" was doing there. He was told that Philby was a top British security envoy in Washington. However, no one heeded Kollek's warning.

MAZAL TOV DEPT. Congratulations are in order to Asher Yadin and his wife Talia on the birth of a daughter, Hila, in New York this month. I have been informed that the Yadins plan to return to Israel next month, where the 61-year-old former Kupat Holim head has two grown children by his first wife, Dalia.

BEIT BEN-GURION this week was the site of a ceremony marking the 97th anniversary of the birth of Israel's first prime minister. Main speakers were biographer Shabtai Tevet, who traced Ben-Gurion's flexible approach towards the Arabs, and Dr. Meir Avizohar, who outlined the work of the B-G Heritage Institute in Sde Boker. Shimon Peres and Haim Israli, chief of the defence minister's bureau since B-G's day, awarded the David Tuviyahu Prizes to Dr. David Felman and Dr. Aharon Abelevitch for their desert research. Octogenarian Dvora Netzer presented Prof. Yeshayahu Melnik and Dr. Moshe Shemesh with an award for their editing of B-G's writings, and Shiloah Institute scholar Martin Kramer got the Nahman Karni Memorial Prize for his soon-to-be-published book, *The Middle East of Charles Crane*.

Most of the surviving members of the B-G inner circle were there, with Peres rescheduling talks with Shamir in order to make it. But former president Yitzhak Navon, a close B-G aide, was conspicuous by his absence.

SICK LIST. Meir Ya'ari, the 86-year-old founder of Hashomer Hatzair, is confined to his Kibbutz Merhavia room after sustaining a bad fall.

PRICE IS RIGHT. The Herzliya Pituh residence of the late Ricardo Wolf has been sold for a whopping \$2.2 million. New owners of the two-swimming-pool residence, on 9.3 dunams near the Sharon Hotel, are newlyweds Ronnie and Galit Furer, who'll commute between the house and their London Hyde Park flat. The father of the bride, Avner Plamlik, has extensive business interests in Tokyo. When in Israel, he's often seen in the company of Ariel Sharon's media adviser, Uri

Dan. The groom's father is big businessman Moshe Furer.

PRICE IS WRONG. Jay Bashinsky, correspondent of the Atlanta-based Cable News Network, advises me that his network has stopped using the satellite relay station at Nahariya's Carlton Hotel, because it is too costly. Instead, driver Shabi Simentov makes the very fast Beirut-to-Jerusalem run to transmit tape to the U.S.

CATCHY SLOGAN. Yehzekel Adir, running as an independent for mayor of Holon, has this on his campaign posters: "Holon is not only a cemetery."

DESPITE criticisms from certain quarters, many people gave President Chaim Herzog the highest marks in civic courage for his warm remarks on TV about Labour's Shimon Peres, who has been the target of strong criticism both from the Likud and parts of his own party, got presidential compliments both as a person and for his long-term contribution to the country's defence.

UNTAKEN ADVICE. It's a shame that Yitzhak Shamir did not take the advice of his Lehi colleague, Dr. Israel Eldad (Shebi), who advised the premier-designate to adopt the Ailon Plan, albeit temporarily, in order to get Labour into a grand coalition. Perhaps a favourable Shamir response to Eldad would have stilled charges that he's merely going through the motions in the current talks.

OFF-STAGE DISHARMONY. The Israeli "honeymoon" of Art Garfunkel and Paul Simon apparently was only for show. That's the impression gotten at a post-performance dinner given at the Lotus Restaurant in Neot Afeka, by owner Baruch Zalkerman, where the famous pair sat at separate tables, separated by ceiling-high plants. Other guests, including impresario Shmuel Zemach and Israel Variety Club director Ora Tevet, did not observe Simon and Garfunkel exchange even one word.

thereby explaining, perhaps, why he was so interested in Dr. Nussbaum's cancer. His example may have done great harm: would-be writers may conclude that the cigarette is as important a part of the writer's equipment as a pen or typewriter. I suppose, if Oz is a chain-smoker, it was only honest to show all this. A film about Eugene O'Neill could hardly avoid scenes about the fascination of the bottle, even if it inspired potential playwrights to become alcoholics.

THE APPEARANCE of Yehoram Gaon in *This Is Your Life* showed us *zohar* in an altogether different light. Gaon and his friends were not creatures tormented by introspection, seekers of light and truth, analysts of how our once merry Israel has been made so bleak a place by zealots and political leaders obsessed with mythology rather than reality. To tell the truth, they did not seem to have noticed the revolution of 1967; they are still finding Israel a land of song and laughter. It was all very jolly.

As usual, I hated Amos Ettinger's opening approach of a childish "surprise party," but I suppose we must get resigned to having it in a country where tradition is all-important, the hero's amazement at finding himself in the studio has become as venerated a feature as fireworks on Independence Day. Gaon was the most stoical of all the champions we have ever had: he took the nonsense with a shrug. In fact, he had even brought a song-sheet with him; no doubt, he carries it around with him everywhere, in case he is asked to sing something.

His story, from the nostalgic days when Lahakat Hanahal was a name full of magic for all of us, until *Nevo Onas* and *Dear Onas* delighted the nation, was as jovial as any of us could desire for the Succot holiday. Generally, we were treated very well during the holiday period: *Bedroom Force*, *The Great Race*, *Reasonable Force*, *The Philadelphia Story* and a *Kojak* who could ask for anything more? Let us hope that these are auguries for good programming in the coming year.

The wizardry of Oz

TELEREVIEW / Philip Gillon

complicated, everyday fact in their lives.

Earlier on, Oz told us that every novelist must "suffer some great trauma in his youth if he is to become a writer. This does not mean, he stressed quickly, that everybody subjected to an early catastrophic blow will be a writer — perhaps he will be a murderer, or will pursue some other calling, without setting finger to pen or typewriter.

In reply to Ben-Aharon, he said that for people like him, the Six Day War and its aftermath changed everything: manifestly, those days were as traumatic for him in their way as that youthful experience at 12 had been. Suddenly he found himself "outside the fence." Israel was no longer his world, his country, his home, where he could feel at ease and sure of himself and his nation and its values.

HE IS RIGHT. The deep chasm in Israeli life had its origins in that year of miraculous conquest, which was even more devastating to our national unity than the Yom Kippur War or the nonsensical invasion of Lebanon. All the old ideals were turned topsy-turvy: the chauvinists even stole the terminology of the founding fathers, words like "pioneering" and "settlement" once holy for people like Ben-Aharon, were taken over like second-hand clothes to adorn the zealots, who gave them unpleasant connotations.

Of course, kibbutz ideology had lost much of its impetus and dynamism under the insidious fifth column inroads of affluence. The marvellous new way of life described by Ben-Aharon was inspiring as a means of overcoming the wicked dragons of the early years of the century — the oppression of capitalism, the power of autocratic fathers, the irrational organization of the means of production, the lack of cooperation in a society in which every man's hand is against his fellow.

But, for the most part, these evils have been overcome, in a less radical way than that of the kibbutz, in Israeli middle-class society. People do not need to go to a kibbutz to have decent relations with their children, and protection against the threat of starvation at a boss's whim. The instinct to raise the standard of living has proved to be common to townies and kibbutz dwellers alike; the end of austerity and

the pursuit of appliances and trips abroad somehow negated the need for collective living.

So the kibbutz had already lost, or would have lost, its position as the pace-setter of Israeli idealism anyway, even without the moral and ethical revolution of 1967. But this was the dramatic event that cast Oz and people like him, as he put it, outside the fence.

HE DESCRIBED his view of our relationship with the Arabs by means of a very vivid analogy. He said that he had once seen, in Philadelphia, two delinquents engaged in combat. One was on top of the other, but the one below had a broken bottle in his hand. Their struggle had reached a stalemate. So with us and the Palestinians: we may be on top, we may be sitting in their towns and having them do the dirty work for us, but we are constantly terrified of the bottle in their hand.

His description of the process of creativity was also remarkable. We followed him through the writing of a story about a Dr. Nussbaum, a doctor from Vienna dying of cancer in Jerusalem during the period of the Mandate, from the time a seed entered the writer's brain till the story was written. Great stuff. By the end, the writer couldn't bear Dr. Nussbaum, he only wanted to get rid of him, to get him out of his system.

It was a very fine documentary. Top marks go to producer Ziva Shafraan and director Esther Dar, and to everybody else involved in making the film. It is rather a pity that Oz chain-smoked throughout,

What Tel Aviv needs today is a supreme development effort, one that will increase fourfold the number of flats for young couples, large families and single parents, the aged and others; That will close the gap in services between various quarters of the city; That will operate a special community system for elderly residents and pensioners; That will release the city from its traffic stranglehold; That will prevent the flight from the city of factories, workshops, offices, commercial enterprises and services; That will measure up to the rising tide of crime and violence. In short, what Tel Aviv needs is a new direction, a new plan, a new and different style: A NEW MAYOR.

DOV BEN MEIR

DOV BEN MEIR FOR MAYOR

The Israel Academic Committee on the Middle East
Clal Centre, Suite 903-4, 97 Jaffa Road, Jerusalem
Tel. 245760, 249048

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Avraham Harman
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followed by discussion

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* Includes supper break.



Eliahu Insurance Company Limited



הכנסת השכל

Life Assurance Account FOR THE YEAR ENDED DECEMBER 31, 1982

Previous year	IS.	IS.	IS.
79,417,084	Premiums	173,976,300	
7,725,193	Less: Reinsurance	18,474,427	
71,691,891			155,501,873
208,916,869	Linkage differences and interest		554,217,182
280,608,760			709,719,055
229,999,406	Less: Increase in the Assurance Fund (Less Reinsurance)		593,104,176
50,609,354			116,614,879
6,348,842	Claims - Paid and Outstanding	24,562,554	
2,139,403	Less: Reinsurance	10,295,401	
4,209,439		14,267,153	
855,839	Maturities	1,085,479	
13,439,050	Surrenders	38,187,788	
18,504,328		53,540,420	
10,395,949	Transfer to Fund for Special Risks	30,061,468	
28,900,277			83,601,888
21,709,077			33,012,991
240,683	Medical Expenses	577,199	
5,912,749	Commission Paid	14,385,705	
10,597,581	Management and General Expenses	21,973,656	
16,751,013		36,936,560	
2,906,181	Less: Commission from Reinsurance (incl. Profit Commission)	4,952,913	
13,844,832			31,983,647
7,864,245	Profit - transferred to Profit & Loss Account		1,029,344

General Insurance Account

FOR THE YEAR ENDED DECEMBER 31, 1982

Previous year	IS.	IS.
235,701,480	Premiums	476,085,167
	Less: Transferred to AVNER - Motor Vehicle Accident Victim Insurance Co. Ltd. in respect of Co-insurance of the Motor Liability Insurance	33,379,735
14,117,405		442,705,432
221,584,075	Balance of Premiums	159,873,494
91,959,234	Less: Reinsurance	282,831,938
129,624,841		
	Less: Increase in the Provision for Unexpired Risks (less Reinsurance)	78,037,543
29,323,760		
100,301,081	Premiums for the year	204,794,395
33,222,422	Registration and other fees	72,840,709
21,109,515	Exchange adjustments	36,663,594
55,139,000	Investment Income	104,299,992
209,772,018		418,598,690
197,584,176	Claims - Paid and Outstanding	*485,561,409
83,300,993	Less: Reinsurance	*213,538,030
114,283,183		272,023,379
1,420,000	Transfer to Fund for Special Risks	
115,703,183		272,023,379
94,068,835		146,575,311
58,965,642	Commission Paid	126,103,470
41,700,000	Management and General Expenses	91,272,480
100,665,642		217,375,950
28,833,784	Less: Commission from Reinsurance	45,119,045
71,831,858		172,256,905
22,236,977	Profit/(Loss) transferred to Profit and Loss Account	(25,681,594)

* Includes IS. 36,255,000 in respect of Motor Act relating to previous years.

Statement of Life Assurance Liabilities and Investments

(Forming part of the whole Company's investments as per Balance Sheet) AS AT DECEMBER 31, 1982

31.12.1981	IS.	IS.	IS.
387,936,913	AMOUNTS AVAILABLE FOR INVESTMENTS		
89,986	ASSURANCE FUNDS		
387,846,927	Life Assurance Fund (Note 1a)	981,169,867	
17,293,284	Less: Reinsurance	218,784	
405,140,211		980,951,103	
	Fund for Special Risks	47,354,753	1,028,305,856
1,165,308	OTHER LIABILITIES		
200,492	Claims admitted or intimated	3,974,778	
984,816	Less: Reinsurance	1,903,258	
3,959,587		2,071,520	
640,448	Due to other Companies on Reinsurance Accounts	6,372,981	
524,883	Sundry Creditors and Credit Balances	2,582,720	
6,089,734	Premiums in advance	1,593,193	
411,229,945			12,630,414
			1,040,936,270
399,463,374	INVESTMENTS		
4,798,536	INVESTMENTS		
404,261,910	Government Bonds (including payments on Account) (Note 1c(1)&(2))	1,008,585,449	
	Loans on Company's Policies (within their surrender value) (Note 1c(2))	15,071,388	
		1,023,656,837	
1,091,043	ACCOUNTS RECEIVABLE AND CASH		
3,247,418	Due from other Insurance Companies	2,089,788	
1,782,298	Premiums for Collection	8,052,616	
847,276	Sundry Debtors and Debit Balances	2,690,617	
6,968,035	Part of the Company's Cash	4,446,512	
411,229,945			17,279,433
			1,040,936,270

THE AMOUNTS AVAILABLE FOR INVESTMENTS AND THE RESPECTIVE INVESTMENTS OF THE LIFE ASSURANCE ARE COMPOSED, IN TERMS OF THEIR LINKAGE, AS UNDER:

AMOUNTS AVAILABLE FOR INVESTMENTS	Amounts linked to the cost of living index	Not linked	Total
IS.	IS.	IS.	IS.
Assurance Funds: Life Assurance Fund (net) (Note 1a)	980,869,561	81,542	980,951,103
Fund for Special Risks	11,022,830	36,331,923	47,354,753
Other Liabilities	10,546,914	2,083,500	12,630,414
	1,002,439,305	38,496,965	1,040,936,270
INVESTMENTS			
Government Bonds (Note 1c(1)&(2))	971,730,845	36,854,604	1,008,585,449
Loans on Company's Policies (Note 1c(2))	15,071,388	—	15,071,388
Accounts Receivable and Cash	15,837,072	1,642,361	17,279,433
	1,002,439,305	38,496,965	1,040,936,270

The above Statement forms integral part of the Financial Statements

Statement of Changes in Financial Position

FOR THE YEAR ENDED DECEMBER 31, 1982

SOURCES OF FUNDS

A. Life Assurance Business:	1982	1981
IS.	IS.	IS.
Balance of Profit as per Life Assurance Account	1,029,344	7,864,245
Items not involving the movement of Funds:		
Increase in Life Funds	623,165,645	240,395,355
Increase in Outstanding Claims	1,106,704	862,926
Changes in Balance of Insurance Companies (including Deposits) — net	1,414,648	1,520,450
Increase in Premium for Collection & Agents' Balances	(4,805,198)	(1,400,348)
Total Sources of Life Assurance Business	629,811,144	249,242,628
B. General Insurance Business:		
Balance of Profit as per General Insurance Account	(25,681,594)	22,236,977
Items not involving the movement of Funds:		
Increase in Insurance Funds	78,037,543	30,743,760
Increase in Outstanding Claims	83,281,376	31,022,402
Changes in Balance of Insurance Companies (including Deposits) — net	(3,765,052)	2,064,593
Increase in Premium for Collection & Agents' Balance	(25,007,325)	(24,553,104)
Total Sources of General Insurance Business	106,864,948	61,514,628
C. Other Activities		
Income not included in the Financial Statements of Insurance Business	30,273,197	13,802,505
Expenses not shown in the Financial Statements of Insurance Business	(4,009,011)	(2,466,162)
	26,264,186	11,336,343
Items not involving the movement of Funds:		
Depreciation and amortisation	589,748	305,899
Profit from realisation of Fixed Assets	(398,412)	(271,694)
Consideration from realisation of Fixed Assets	557,127	714,583
Total Sources from other Activities	26,992,649	12,085,131
Total Sources of Funds from Operations	755,768,741	322,842,387
Deduct: Provision for Taxes on Income	—	21,000,000
	755,768,741	301,842,387
Changes in Sundry Debtors & Creditors — net	(1,673,139)	13,553,163
Total Sources of Funds	754,095,602	315,395,550

Profit and Loss and Appropriation Account

FOR THE YEAR ENDED DECEMBER 31, 1982

Previous year	IS.	IS.
7,864,245	Transfer from Insurance Accounts:	
22,236,977	Profit from Life Assurance	1,029,344
30,101,222	Profit/(Loss) from General Insurance	(25,681,594)
		(24,652,250)
	Income from investments not included in the Life Assurance Account:	
	Interest, linkage differences, dividends, profit from realisation of securities and income from property	171,236,783
90,051,020	Less: Income transferred to General Insurance Account	140,963,586
76,248,515		30,273,197
13,802,505	Balance of Income from investments	5,620,947
43,903,727		
2,466,162	Less: Management and General Expenses not included in the Insurance Accounts	4,009,011
41,437,565	Profit before Provision for Taxes on Income	1,611,936
21,000,000	Provision for Income and Profit Taxes (Note 7)	—
20,437,565	Net Profit for the year before Company's share in net profits of Subsidiary	1,611,936
15,666	Company's Share in net profit of Subsidiary	5,373,916
20,453,231	Net Profit	6,985,852
3,702,747	Unappropriated Profit at beginning of the year	3,312,663
24,155,978	Profit for appropriation	10,298,515
	Appropriation of Profit	
2,000,000	Transfer to General Reserve	—
14,702,198	Bonus Shares for allotment	6,125,925
4,141,117	Dividend, net (gross IS. 2,450,365)	1,592,737
20,843,315	Appropriated Profit	7,718,662
3,312,663	Balance of Unappropriated Profit	2,579,853

The Accompanying Notes Form an Integral Part of This Account and of the Insurance Revenue Accounts.
Note: Depreciation of Fixed Assets charged to the above Accounts total IS. 569,748 (year 1981 - IS. 305,899).

Auditors' Report

To the Shareholders of Eliahu Insurance Company Limited

We have examined the Balance Sheet of Eliahu Insurance Company Limited as at December 31, 1982 and the related Profit and Loss Statements, Insurance Accounts and Changes in Financial Position for the year then ended. Our examination was made in accordance with those standards generally accepted in the audit of Insurance Companies including those contained in the Auditors' (Mode of Performance) Regulations 1973 and accordingly we have applied such auditing procedures as we considered necessary in the circumstances. In our opinion, the above Financial Statements present fairly in accordance with the accounting standards generally accepted in Insurance Companies, the financial position of the Company as at December 31, 1982 and the results of its operations and changes in

the financial position for the year then ended, based on the accepted modified historical basis. Note (9) reflects the effect of the changes in general purchasing power of the Israel currency on the Profit and Loss. We state that we have obtained all the information and explanations that we have required and that our opinion on the Balance Sheet and the above Statements, is given according to the best of our information and the explanations received by us, as shown by the Company's accounting records. In addition, we state that the said Financial Statements are drawn up in accordance with the requirements of the Law for the Supervision of Insurance Companies 1981, and its relative amendments, and that the Company operated in accordance with the said requirements, apart from Note 8(f).

GABBAY & CO.
Certified Public Accountants (Isr.)
Tel Aviv, January 18, 1983

APPLICATION OF FUNDS

A. Investment earmarked to Life Assurance Funds:

In Bonds	609,122,075	237,961,985
In Loans on Policies	10,272,852	2,828,779
In Real Estate — Office premises in construction	—	(600,000)
Changes in Sundry Debtors and Creditors (Net)	(2,112,363)	619,737
Changes in Cash Balances	3,599,236	567,882
Total Investments in connection with Life Assurance Funds	620,881,800	241,378,383
B. Investments/(Realisation of Investments) in connection with other Funds:		
In Bonds (including linkage differences)	(6,520,030)	24,372,353
In Shares	1,349,019	(219,316)
In Loans and Deposits with Banks	(19,297,315)	19,152,391
In Real Estate	5,010	5,636
In other Insurance Companies and Agencies	61,851,075	(69,161)
In office premises, equipment and cars	1,547,236	18,628,023
Changes in the Balances of deposits with Banks for less than one year	55,683,424	(4,982,466)
Changes in Cash Balance	(14,297,354)	12,978,590
On other Assets — Taxes Paid in advance	51,500,000	—
Total Investments in connection with other funds	131,621,065	69,878,050
C. Other Applications:		
Cash dividend, net	1,592,737	4,141,117
Total Application of Funds	754,095,602	315,395,550

Sports

Israel face Portugal in vital game today

By PAUL KOHN
Post Sports Reporter

TEL AVIV. — Israel and Portugal meet this afternoon in what is for both countries their last slim chance of gaining a place in the next round of Olympic Games soccer competition. This will be the first of their two-leg encounter, with the kick-off at the Bloomfield Stadium at 4:45 p.m.

A crowd of 20,000, including President Chaim Herzog, is expected at the match, the second half of which will be televised live. The game is being played in Jaffa, because the Ramat Gan stadium is undergoing major renovation, which will take at least two years.

Although Israel coach Yosef Mirimovich will only announce his line-up shortly before the start, it is safe to assume that his team will be based on the players who recently beat Watford 1-0 and drew 2-2 with Ipswich. The attack will include Eli Yanni, the tall Kfar Sava striker, who scored all three goals against the English first division teams. Alongside him will be Gil Landau and Zhai Armeli, of third division Shfaram. Shlomo Mizrahi and Maurice Jano will be the attacking schemers, and both have been showing splendid form recently. The team will be captained by stopper Yaron Parcelani of Maccabi Haifa.

The Portuguese, who have been training here since Wednesday, will

be playing according to the strategy planned by Jose Augusto, who was a brilliant right winger for his country and Europe selected. He played for Portugal 49 times. He saw Israel beat Portugal 4-1 in a World Cup game two years ago, in what could be considered Israel's best ever international performance, and Israel lost to West Germany 2-0 in Germany in an Olympic Games qualifier earlier this year. Portugal has since beaten the Germans 3-1 in Lisbon and lost the return by 3-0.

"We have come here to win," Augusto told reporters. "Although it is best forgotten, I cannot ignore that Israel beat Portugal the last time we were here." None of the players of either side in that match will play today.

Surprisingly, none of the Portuguese team hails from the foremost clubs of that country, Benfica, Sporting Lisbon and Porto F.C. Augusto explained that Portugal in this week also playing against Poland, involving its European championship and Under 21s teams.

The line-ups: Portugal — Antonio Jesus, goal; Carlos Coelho, Frederico, Antonio Paris, Adelino Nunes, defence; Paquito, Marea, Jose Rafael, midfield; Skoda, Julio and Vitor Santos, strikers. Israel — Arie Alter, goal; Lasry, Pizanti, Parcelani, Zana, Eli Cohen, Barza, defence; Jano, Mizrahi, midfield; Yanni, Landau, Armeli, Shabtai Lev, attack.

Rush and Woodcock's insatiable appetites

LONDON (AP). — Ian Rush of Liverpool and Arsenal's Tony Woodcock each scored five times as the English First Division produced a dazzling 37 goals yesterday.

Liverpool crushed Luton 6-0 at home, while Arsenal smashed Aston Villa's 100 per cent home record this season — they had not lost at Villa Park, in fact, since December 1967, with a magnificent 6-2 victory.

Kenny Dalglish scored Liverpool's other goal against Luton, his 99th, for the First Division champions, while Brian McDermott hit Arsenal's sixth at Villa Park.

Liverpool's victory failed, however, to take them to the top of the standings. Manchester United maintained their two-point lead by hammering Wolverhampton 3-0, all the goals coming in the first half.

Full back Arthur Alston created all three United goals, two of which were scored by Frank Stapleton and one by England captain Bryan Robson. Wolverhampton's defeat pushed them into bottom place as Middlesbrough's victory won for the first time this season with a 2-0 home win over Everton.

England and Ipswich centre-back Russell Osman was controversially sent off at Southampton. After 69 minutes, Osman was dismissed after a seemingly innocuous tackle on Southampton skipper Steve Williams, and the home team went on to win 3-2 with a last-minute goal from substitute Steve Moran.

Another player to receive his marching orders was former England striker Mick Channon, dis-

missed at Norwich where Queen's Park Rangers won 3-0.

Division One			
Aston Villa	2	Arsenal	6
Leicester	2	Everton	0
Liverpool	6	Luton	0
Manchester U.	3	Wolves	0
Norwich	0	QPR	0
Notts F.	1	Sunderland	1
Southampton	3	Ipswich	2
Stoke	1	Coventry	3
Tottenham	1	Notts C.	0
WBA	1	Birmingham	2

Division Two			
Cambridge	3	Brighton	4
Chelsea	3	Charlton	2
Crystal P.	0	Barnsley	1
Derby	1	Grimsby	2
Leeds	2	Portsmouth	1
Middlesbrough	4	Shrewsbury	0
Newcastle	5	Manchester C.	0
Oldham	2	Carlisle	3
Sheffield W.	0	Huddersfield	0
Swansea	0	Blackburn	1

Division One

	P	W	L	D	For	Agst.	Pts.
Manchester U.	11	8	1	2	21	11	25
Liverpool	11	7	2	2	18	6	23
QPR	11	6	2	3	20	9	20
West Ham	11	6	2	3	20	10	20
Southampton	10	6	2	2	13	7	20
Tottenham	11	6	2	3	17	14	20
Luton	11	6	1	4	19	15	19
Arsenal	11	6	0	5	23	14	18
Ipswich	11	5	2	4	22	14	17
Coventry	11	5	2	4	17	17	17
Notts F.	11	5	2	4	17	17	17
WBA	11	5	2	4	16	17	17
Birmingham	11	5	2	4	11	12	17
Aston Villa	11	5	2	4	13	17	17
Everton	11	4	3	4	7	10	15
Sheff. Wed.	12	3	4	5	17	13	15
Derby	11	4	3	4	19	13	15
Sunderland	11	3	3	5	10	12	12
Wolverhampton	11	2	3	6	15	18	9
Stoke	11	2	3	6	12	22	9
Notts C.	11	2	1	8	10	21	7
Leicester	11	2	1	8	8	23	5
Wolves	11	0	3	8	8	26	3

Wolves	11	0	3	8	26	3	
Division Two							
Sheff Wed.	12	9	3	0	22	8	30
Newcastle	12	8	2	2	26	11	26
Manchester C.	12	8	1	3	22	15	25
Chelsea	11	7	3	1	23	11	24
Huddersfield	12	5	6	1	18	8	21
Grimsby	12	5	4	3	19	13	24
Shrewsbury	12	5	4	3	16	15	24
Blackburn	12	5	4	3	19	20	19
Barnsley	12	5	2	5	20	16	17
Charlton	12	4	5	3	13	17	17
Carlisle	12	4	4	4	11	10	16
Leeds	12	5	1	6	17	21	16
Middlesbrough	12	4	3	5	18	16	15
Brighton	12	4	2	6	22	24	14
Portsmouth	11	4	1	6	14	13	13
Fulham	11	3	5	3	14	17	13
Crystal Palace	11	3	2	6	12	11	11
Cardiff	10	3	1	6	7	13	10
Oldham	12	2	3	7	10	22	9
Cambridge	11	2	2	7	13	21	8
Derby	11	2	2	7	8	27	8
Swansea	11	1	2	8	8	30	5

TOUR VA'ALEH
WZO Alaya and Absorption Dept
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United Nations Disengagement Observer Force (UNDOF) has a requirement for

LAUNDRY SERVICES

in respect of its force stationed on Golan Heights at Camp Ziouani. Volume approx. 8000 KGMS per month, but no guarantee is given this quantity will be attained. Services required will be AAA/ Collection from and delivery to Camp Ziouani twice per week (on Tuesday and Friday). BBB/ Washing and Ironing of items submitted.

Offers should state cost per kilogram in US Dollars plus VAT. Payment will be made in Israeli shequels at official UN rate of exchange at time of payment. Interested contractors should submit sealed bids to: Chairman Tender Committee, UNDOF, P.O. Box 490, Jerusalem, c/o Procurement Officer. Envelopes should be marked "LAUNDRY SERVICES." Closing date for receipt of bids is November 8, 1983. UNDOF reserves the right to inspect premises, and is not under any obligation to accept lowest offer.

Mansdorf's fine hour

By JACK LEON
Post Sports Reporter

TEL AVIV. — Qualifier Amos Mansdorf on Friday finished as singles runner-up to No. 1 seed Erick Iskersky of the U.S. in the 25,000 ATP Indoor Tournament in Helsinki. The high-flying Israeli junior tennis champion went down 6-4, 4-6, 7-5, after being only two points from a great victory in the third set at 4-5 and 0-30 on the American's service. Iskersky, 25, has been playing the pro-circuit since 1978 and is currently about 120 on ATP computer rankings.

Mansdorf — who celebrated his 18th birthday a week ago — defeated Sweden's Peter Lundgren 6-4 (7-5), 6-2 in the semifinals. He had to go through four qualifying rounds to reach the tournament proper, and thus joins the small number of qualifiers in pro competition who have then gone all the way in the main draw.

The young Israeli won 16 computer points and \$2,500 in prize

money for his magnificent effort in the Finnish capital. The points bring Mansdorf's tally in only five ATP meets this year to 38, giving him a world singles ranking of around 250 among the 1,000-plus players in the standings. Thus giving him an unusually rapid rise up the ladder.

These are heady days for Israel's two leading younger players, Mansdorf and Shahar Perkis, 21. Following his recent successes in Portugal and here at Ramat Hasharon, Perkis has climbed nearly 200 places up the ATP singles rankings, and is currently about 285 on the computer.

Mansdorf is this weekend competing in the qualifying meet for the \$250,000 Stockholm Grand Prix. Glickstein is a direct entry in the tournament proper, which gets underway tomorrow. The Israeli champion will drop several places down the rankings from his current 33rd position as a result of his lack of success in Ramat Hasharon and Cologne over the past fortnight.

Shlomo and Jimmy both eliminated

Post Sports Staff

Shlomo Glickstein was eliminated from the third round of the Cologne \$88,500 Grand Prix tournament by Germany's last year's champion, Hans-Dieter Beutel, ranked 150 on the ATP computer, 6-1, 7-6. Glickstein led 5-2 in the second set. Beutel went on to defeat his countryman, 18-year-old Eric Jelen, 6-4, 7-5, in the quarter-finals.

In Tokyo, Jimmy Connors was vanquished 6-3, 6-4 by American Scott Davis, 21, who only turned professional in June, but has risen from 193 to 39 in the rankings. Connors made no excuses, declaring, "He just played better than I did," but friends of the American champion said that he was suffering from a migraine.

Davis dominated the net and also played delicate underspin approach shots.

Golf Gala games

CAESAREA. A group of 20 American golfers participated in gala 36-hole tournaments sponsored here on Wednesday by the Anti-Defamation League and the Caesarea Golf Club.

The American winners were Mitch Pozet, with a gross score of 161 (81.80) and Marshal Cooper, with a net of 149 (80.69).

The leading Israelis were Lloyd Levin, with 154 (78.76) gross and Avi Cohen, with 134 net (71.63).

Prizes were presented at a banquet at the Dan-Caesarea Hotel at which the guests of honour were TV personality Monty Hall and queen of comedy Phyllis Diller, who showed the guests the lighter side of golf. Others present included former ambassador Simcha Dinitz, retired admiral Moca Limon and entertainer Rivka Michaeli.

The low scorers in the week-end competition were: Friday, Monty Friedman and Morris Portner, 72 net; Saturday, new women's champion Judy Nicoll, 71 net.



Monty Hall demonstrates the drive (Israel Sun)

BASKETBALL REVIEW What a week that was

By DON GOULD
Post Basketball Reporter

Israeli basketball had one of the finest weeks ever last week as all three international entrants succeeded beyond expectation.

The week was capped off by Maccabi Tel Aviv's brilliant 68-62 victory over Aris Salonica in Greece last Thursday.

Earlier in the week, both Ramat Gan teams won so decisively in Korac Cup matches that they each now have relatively easy tasks to continue on to the next level of competition. Maccabi Ramat Gan will play host to Dynamo of Bucharest on Wednesday, having a comfortable seven-point advantage as a result of last week's victory in Rumania, but it first has to face a stubborn Kiryat Motzkin in a 10th round league battle this evening.

Hapoel Ramat Gan must battle with a pesky Betar Tel Aviv team tonight in league play before they travel to Italy for their return match, against Caserta, also on Wednesday. Last week's 31-point margin should be more than enough to insure Hapoel an overall victory.

Maccabi Tel Aviv coach Zvi Sherf was quoted before his team's game in Greece as saying, "I am ready to accept the same result against the Greek team as we had against Hapoel Tel Aviv on Monday," meaning that losing by a few points away would put Maccabi in an excellent position for the return match at Yad Eliahu on Thursday, November 3.

Sherf got a lot more than he asked for. His team, playing a solid, controlled offense, held the lead almost from start to finish. Even the usually raucous Greek fans realize early that Maccabi was going to

win, as they kept silent throughout the contest.

Aulcie Perry with 20 points led the attack and was magnificent under the boards, grabbing 12 rebounds.

Maccabi employed a box and one defence to contain Salonica's high scoring guard, Galis. The one man for Maccabi who stuck with Galis at all time was Motti Aroesti, and later, Yoav Kadmon. They held the Greek star to just six points in the first half. The 14 additional points he garnered in the second half were not crucial to the game.

But Maccabi cannot rest on its laurels. On Monday night they will host Afula in a vital league match, and on Thursday they will entertain Aris Salonica at Yad Eliahu.

Week's Schedule
Internationals
Wednesday, Nov. 2: Mac. RG vs. Dynamo Bucharest in Israel.
Hap. RG vs. Caserta in Italy.

Thursday, Nov. 3: Mac. TA vs. Aris in Israel

League Standings
Sunday

Mac. RG vs. Kiryat Motzkin
Betar TA vs. Hap. RG

Monday:

Upper Galilee vs. Hap. Haifa
Mac. TA vs. Maccabi Ramat Gan
Mac. Haifa vs. Hap. Holon

League Standings (After 9 Rounds)

TEAM	W	L	For	Agst	Pts
1. Hap. RG	7	2	790	695	16
2. Hap. TA	7	2	749	694	16
3. Mac. TA	7	2	821	706	16
4. Afula	5	4	762	692	14
5. Hap. Haifa	4	5	727	718	14
6. Mac. Haifa	4	5	760	705	13
7. Betar TA	4	5	767	750	13
8. Mac. RG	4	5	719	722	13
9. Upper Galilee	4	5	713	722	13
10. Kiryat Motzkin	3	6	692	739	12
11. Holon	3	6	650	711	12
12. Mac. Ramat	1	8	634	745	10

United Nations Disengagement Observer Force (UNDOF) has a requirement for a contractor to provide general services at Camp Ziouani, Golan Heights. The services required consist of:

- A. Haircutting
- B. Tailoring. Repair services to approx. 300 men.
- C. Garbage collection and removal from Camp to an authorized location six days per week. Suitable dump truck, which complies with local regulations, and garbage containers to be provided by contractor.

Those interested are requested to submit sealed bids, addressed to: Chairman Tender Committee UNDOF, P.O. Box 490, Jerusalem, c/o Procurement Officer UNTSO

Envelopes should be clearly marked BID, GENERAL SERVICES.

Latest date for receipt of sealed bids will be November 8, 1983. Any further details required may be obtained by contacting CANLOG, Camp Ziouani, Telephone no. 067-42422. Prospective contractors will be required to produce, at CANLOG, Camp Ziouani, dump truck proposed for garbage removal, for inspection by UNDOF personnel.



(Above) Pierre Boyar, Felix Sarraïh and Alain Cassagne and French hopeful (Right) Yuval Hirsch smashes against the French

Vive La France again

By PHILIP GILLON

One of the most exciting developments in modern tennis has been the sports resurgence in France. It is perhaps too soon to say that we are seeing a return to the days of glory such as France enjoyed in the 1920s, when the four musketeers — Henri Cochet, Rene Lacoste, Jean Borotra and Jacques Brugnon — were vying with Bill Tilden of the U.S. for the top glories of the game, and Suzanne Lenglen was dominating the women's game. But it is manifest that players like Yannick Noah, Henri Leconte, and Christophe Roger-Vasselin and Thierry Tulasne will be up there among the stars for years to come, and other are coming up fast on their heels.

The explanation of how this transformation was effected lies in the coaching system introduced some years ago. Pierre Boyar, the French national coach, Alain Cassagne, the national administrative director and Felix Sarraïh, responsible for national tennis studies for girls, were in Jerusalem yesterday for the friendly international matches organized by the Israel Tennis Association at the local tennis centre between French and Israeli boys and girls 10 years and 12 years of age.

They explained how the French coaching system works. It cannot be compared to that of the Israeli tennis centres, in that the background and aims are so different. The ITA is basically out to introduce tennis to thousands of children who otherwise would not know the game; its main claim to fame is that it has brought tennis to 15,000 children. The French have 1.2m. registered club players, and probably the same number of more of unregistered aficionados: the objective of the coaching system is talent spotting to separate the wheat from the chaff, so as to produce champions.

"We scout the nation to find the best players at the age of eight or nine," says Alain Cassagne. "In every region we have a technical director who keeps an eye on all the regional and club competitions. As soon as the kids are good enough to reach national competition level, we start to help the best among them. During the first year, we provide every one who shows promise with free individual coaching for four hours a week for a year."

Convincing

KIRYAT SHMONA. — ASA Jerusalem scored a convincing 23-0 victory against Kiryat Shmona in a rugby match played here yesterday. The top scorer was centre Joe Salfund, with three tries and a conversion. A fourth try was scored by Lanny Salisbury, while Rocky Abrahamson put over a penalty and a conversion.

The next game will be played by ASA Jerusalem against Tel Aviv University at Givat Ram on Saturday.

Tel Aviv ASA yesterday edged Kiryat Bialik 6-4 at their Wingate Institute home ground, to register their second success of the season. The Tel Avivians had earlier scored an impressive 12-0 victory at Kfar Hanassi, marking the Galilee kibbutz team's return to the league after a two-year absence.

A total of seven sides are taking part in this 12th season of rugby league competition, with Kibbutz Yizre'el defending their title for the fourth straight year.

In a weekend friendly game, a Fijian UNIFIL XV overwhelmed hosts Kfar Hanassi to the tune of 72-4.

The sports pages are edited by Philip Gillon and Yaron Kenan

going out tonight?

PLAQUELET the home security door with the RAY BARYACH lock, the leading security door under the supervision of the Standards Institution of Israel.

"At the end of the year, we take the pick of the crop to the national training centres, of which there are six, or to the four inter-regional centres. About 70 go to the national centres, 40 or 50 to the inter-regional — half of them are boys, half girls. When they turn 13 or 14, after two years, we take about 15 boys and 15 girls to the two main national centres in Paris. From these 30 come the potential champions."

Pierre Boyar interposes, "They go on with intensive training until they are 17, when they are ready to turn professional and to become world-beaters. As a rough generalization, I would say that the optimum age for a tennis professional is 22 or 23, but, of course, it varies from player to player, according to physique, time of puberty, and rate of development. We coach them in groups, and they have to be really dedicated."

In Israel, it has been noticed that potentially good players sometimes lose motivation when they turn 16, and find that the demands of tennis interfere with other interests.

"I think that as long as they are climbing, they will never lose interest," says Boyar. "That's the whole point of weeding them out in the way we do. If we end up with two really superlative players a year, we are doing fine. Of course, you must realize that our demands are great. At 11 and 12, they have two hours a day coaching and an hour of physical training; at 13 or 14, three hours of coaching; at 15, or 16, four hours. If a youngster feels it is beyond him, of course he'll lose interest."

"You must remember that our

Junior tennis

Israeli and French junior tennis teams, comprising boys and girls 10 years of age and under and 12 years and under, drew two international tournaments that took place over the weekend, on Friday in Ashkelon and yesterday in Jerusalem.

In Ashkelon, the Israeli boys won 6-3 and the girls lost 6-3, while in Jerusalem, the Israeli boys won 7-2 and the girls lost 2-7. Thus, on both days, the final results were 9-9.

The matches were organized by the Israel Tennis Association and were promoted by Freddie Krivine, on behalf of the ITA. The games were played on the ITC courts.

The visit of the French was in return for one by the Israelis to Aix-en-Provence in April. The visiting juniors stayed in private homes, and the adults in the Accadia Hotel.

school system in France is very bad, as far as sport is

Ari Rath
Editor and
Managing Director

THE JERUSALEM
POST

Erwin Frenkel
Editor

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Tel Aviv moves ahead

THE COALITION agreement which was signed on Friday between Tel Aviv's Likud Mayor Shlomo Lahat and his Labour challenger Dov Ben-Meir is a wise and timely move which may have broader implications on the national political scene. Mr. Lahat represents the moderate and more reasonable wing of the Likud's Liberal faction and it is precisely this political grouping at the centre and right-of-centre which ought to become Labour's natural partner in a future national coalition.

Thus, the burying of political hatchets by Mr. Lahat and Mr. Ben-Meir only three days after a bitter election campaign may become a harbinger of bigger political moves to come. Mr. Ben-Meir has been consistent in his demand for well over a year now that the Labour Alignment join the Likud in a broad national unity coalition as a first step towards Labour's return to power. He has now practised at the local level what he has preached for the country's national politics.

Mr. Lahat on Friday echoed his new coalition partner's views in even more explicit terms by stating that the municipal coalition agreement was a "historical turning point for Tel Aviv whose significance goes beyond local politics. Tel Aviv has set the tone for many public and political issues and will now set the tone by forming a coalition between the two large parties," he stressed.

The immediate result of Friday's coalition agreement is that it frees Mr. Lahat from any undue pressure by the religious parties by providing the mayor with a comfortable coalition majority. This result alone ought to have been good enough a reason for Mr. Lahat's and Mr. Ben-Meir's decision to join forces, thus creating a precedent which could cut down the religious parties to their real size.

Both Prime Minister Yitzhak Shamir and Labour Party Chairman Shimon Peres have given their blessing to the surprise move in Tel Aviv. But Mr. Shamir diminished his initial approval by urging Mr. Lahat to make sure that the religious parties remain part of his municipal coalition. It is reasonable to assume that his move followed some warnings by the National Religious Party and by Agudat Yisrael that they may rock Mr. Shamir's shaky coalition boat should their power in Likud-led municipalities be cut significantly following their poor showing at the local polls.

Even less understandable are the voices of dissent by some of Mr. Ben-Meir's own Labour Party colleagues and by the Alignment's junior partner Mapam. Mr. Lahat is certainly not the epitome of extreme nationalism of the Herut school and constructive cooperation with him by the Alignment in problem-ridden Tel Aviv could certainly also be of advantage to Mapam which is supposed to represent the working class.

Now that the coalition agreement in Tel Aviv has been signed, Mr. Ben-Meir will have to swallow his election campaign rhetoric which was directed mostly against what he termed Mr. Lahat's mismanagement of the city. But these are the rules of the political game. One must often look differently at political realities on the morning after a long election night. What Mr. Ben-Meir could have spared himself though was his statement after the election results were known that he was ruling out joining a coalition with Mr. Lahat because the mayor had brought Tel Aviv to bankruptcy.

Mr. Ben-Meir says now that at a tete-a-tete meeting with Mr. Lahat prior to the signing of the agreement the mayor had assured him that he could live with the Labour Alignment's programme of priorities for the city. Be that as it may, now that they are going to work together Tel Aviv will be the winner.

ISRAEL'S economic woes did not start yesterday. The economy has always been shaky, since the founding of the State 35 years ago. In fact, the country started out "broke" since the British Colonial administration, in a final fit of petty anti-Semitic revenge, froze all the economic taps, leaving Premier David Ben-Gurion a state with no economy whatsoever. (This was done in the misplaced hope that the state would be unable to pay for arms and thus would be defeated in the War of Independence.)

Under these circumstances, the government was left with no choice but to "schnorr" from the world, in order to ensure funds for the armaments essential for survival.

Out of this developed the United Jewish Appeal and Israel Bonds, which may well be the world's No. 1 "Schnorrer Machine."

Such a start cannot be healthy for any country. From its very conception, the economy was dependent on regular UJA-Bonds injections of funds, and the Alignment, then in power, never attempted rehabilitation. This was economic Sin No. 1.

Sin No. 2 was none of the same. The acceptance of German reparations was bad both for the body and for the soul of the nation. With so much unearned hard currency coming in, gearing the economy into high production was not considered essential. Instead, the socialist doctrine of hard-line Mapaim was allowed a free reign. And why not? The money for funding the required bureaucracy was available and did not even have to be earned by production. During this period, Israel's economic and administrative "system" was formed. Basically, it has remained unchanged to this day. Here is the basic reason for the country's economic instability. No amount of fiscal and monetary monkeying around can help when what is needed is an overhaul of the system.

Such a task has never been undertaken. In 1966, things came to a head with the *milun* (recession). The government dabbled for months and was saved from having to undertake any economic steps by the Six Day War.

This War may have been a military and political godsend. Undoubtedly, it was an economic disaster. It spurred a false boom and phoney prosperity. If ever there was an opportunity to achieve the required economic changes, this was it, but it was not seized by the government, which encouraged national euphoria. The rich got richer, the poor poorer, and the country became increasingly addicted to the habit of depending on the inflow of unearned hard currency. This was Sin No. 3.

And so the rot set in. THE ECONOMIC system that developed under these circumstances was a mixture of *shleil* and *Poliburo*. It was characterized by over-centralization, massive

government control and involvement, a top-heavy, slothful bureaucracy, inefficiency and an abysmally low standard of public economic norms (mores). All this ensured that the economy remained a hit-and-miss affair, where more than not, things did not get done, or, worse still, were half-done.

Worst of all, the system was never geared for production. An intricate system of controls, public-party funding and *protection* — using one's connections — ensured a person's livelihood, the production level notwithstanding. In addition, the ridiculous taxation laws forced most Israelis to become cheats, because playing by the rules made it unprofitable to produce.

Six years ago, the Likud was given a mandate by the nation, which believed that after 30 years, a change was definitely required. However, the Likud, for all its roaring, was altogether too timid in its actual policy-making. It was afraid to take on the special vested interest groups (especially the Histadrut), though this was a prerequisite for any fundamental change. Moreover, it did not take long for the Likud's economists to become addicted to what had been the Alignment's narcotic for many years — unearned foreign currency. The choice of Simha Ehrlich as finance minister, a man by nature a compromiser who believed in letting sleeping dogs lie, ensured that no fundamental step would be taken. A certain amount of liberalizing was performed, especially as regards foreign currency, but nothing that could be called a comprehensive programme to revitalize the economy was even seriously approached. The economy went from bad to worse until Ehrlich was forced to hand over the reins to Yigael Hurvitz.

The new finance minister was better attuned to what was required and had the courage to do what he knew had to be done. Unfortunately, his party, La'am, and the country became increasingly addicted to the habit of depending on the inflow of unearned hard currency. This was Sin No. 3.

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Overdosed economy

By Jonathan Ariel

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Six years ago, the Likud was given a mandate by the nation, which believed that after 30 years, a change was definitely required. However, the Likud, for all its roaring, was altogether too timid in its actual policy-making. It was afraid to take on the special vested interest groups (especially the Histadrut), though this was a prerequisite for any fundamental change. Moreover, it did not take long for the Likud's economists to become addicted to what had been the Alignment's narcotic for many years — unearned foreign currency. The choice of Simha Ehrlich as finance minister, a man by nature a compromiser who believed in letting sleeping dogs lie, ensured that no fundamental step would be taken. A certain amount of liberalizing was performed, especially as regards foreign currency, but nothing that could be called a comprehensive programme to revitalize the economy was even seriously approached. The economy went from bad to worse until Ehrlich was forced to hand over the reins to Yigael Hurvitz.

The new finance minister was better attuned to what was required and had the courage to do what he knew had to be done. Unfortunately, his party, La'am, and the country became increasingly addicted to the habit of depending on the inflow of unearned hard currency. This was Sin No. 3.

And so the rot set in. THE ECONOMIC system that developed under these circumstances was a mixture of *shleil* and *Poliburo*. It was characterized by over-centralization, massive

government control and involvement, a top-heavy, slothful bureaucracy, inefficiency and an abysmally low standard of public economic norms (mores). All this ensured that the economy remained a hit-and-miss affair, where more than not, things did not get done, or, worse still, were half-done.

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that the black economy (the godson of the system and the tax laws) would be virtually untouched. This eventually led to Huvitz's resignation and to Arik's promotion to the post of finance minister. There is no need to elaborate here on Arik's record — the daily news is more than sufficient.

WHAT should be done? The latest proposed solution was dollarization (R.I.P.) of the economy, which was still taking the easy way out. Instead of earning more by producing more, the plan suggested simply linking up to the dollar, thereby creating an economic fiction of sorts that would permit the continuing debasing of the shekel by triple-digit inflation, while saying that "dollarwise" the inflation does not exist. How this would affect our sovereignty and our capacity to make independent political decisions, in accordance with the national interest, is, at best, a moot point.

It is my considered opinion that a two-stage economic programme be initiated which, if implemented fully, would go a long way towards solving the country's economic doldrums. As with any programme, the first task is to establish priorities. The most serious problems are Israel's negative trade balance and inflation.

The latter is secondary. Any attempt to lower inflation without first improving our balance of payments is at best misinformed, and, at worst, outright dilletantism. This is precisely what Arik attempted to do. The results speak for themselves.

The main causes of our balance of payments deficit are under-productivity and uncompetitive prices. Both these shortcomings can be traced to current taxation laws. Israel's income tax is so high that wages are discussed on a net basis only. This means that the employer must pay the difference between the gross and net wage (minimum of 25 per cent, usually 35 per cent to 40 per cent). In effect, this means that personal income tax, instead of being a direct tax on the employee, has become an indirect tax on the employer, i.e. industry. And this, of course, makes Israeli labour prohibitively expensive, and its exports uncompetitive price-wise.

Every country in the world gives its industry tax breaks in order to increase productivity

and exports. The Jewish state — a nation known for its economic savvy — has become something of an economic anomaly. It is the only country in the world where industrial output is taxed instead of being subsidized.

Decreasing income tax would therefore result in cheaper Israeli exports and would go a long way towards improving the balance of payments. In addition, it would free more private capital for reinvestment, which can only lead to stimulating economic growth. (Our economy has stagnated for the last few years with no real increase in the G.N.P. However, during that same period there was a massive growth in public spending, which is one of the reasons for our economic plight.)

In addition, taxation in Israel makes it unworkable for workers to increase productivity since most work over and above the norm is automatically subjected to 40 per cent tax. Who wants to do overtime in these circumstances?

Moreover, decreasing income tax would be beneficial to the economy in two other ways. Paradoxically, revenue might increase since many self-employed, who balk justifiably at current tax rates, would probably cheat less if taxes were realistic. This especially if the penalties for tax evasion were accordingly toughened up, including mandatory jail sentences.

In addition, increased net earnings would facilitate the end of government subsidies, which cost dollars and which were conceived as compensation for low take-home pay (due to high taxation). A minimum income would become law, with the needy receiving negative income tax payment to bring them up to the required level. This would eliminate the humiliation of having to stand in a welfare line. It would mean a tremendous saving of hard-earned dollars since subsidizing the individual requires only shekels, whereas subsidizing the product means spending dollars, which are irreplaceable.

IN RETURN for higher wages, the Histadrut would be expected to co-operate in the next stage — the de-linking of the economy. This would facilitate the breaking of the vicious circle of inflation (devaluation...linkage...devaluation...linkage...) and allow the government to put the shekel at a realistic rate of exchange. Since take-home pay would have increased (less income tax), there would be no reason for a full cost of living allowance, if any at all. This would allow for an unlinked evaluation, which is what is needed to break the inflationary circle.

At the same time, the linkage between various sectors of the economy would cease, thereby allowing pay increases for those who deserve it, without having to give to other groups who normally would not qualify for such increases

but get it because of the income linkage system. Nearly every sector is linked in one way or another, and all the interest groups protect each other — hand washes hand, one for all, all for one, and for the country — none!

Taxation, on overtime, extra work, etc., should be minimal. Today it stands at 40 per cent in order to increase production and reduce the scale of black money by making it less worthwhile to cheat on income tax. There are at least a dozen more reforms needed in the tax laws, but for the present this will suffice.

Concurrently, VAT should be increased to 25 per cent and to 40 per cent on articles subject to purchase tax, which would be cancelled (mostly luxury items or imported consumer goods which are locally produced). This would simplify tax collection and the Treasury would probably earn more shekels even though the tax burden had been eased. This would also allow for more efficient tax collection, saving manpower and increasing revenue.

AT THE same time, a variety of attractive savings plans should be offered to the public. These, together with increased VAT would ensure that not too much money would be available for consumption, thus further contributing to both improving the balance of payments by reducing the import of consumer goods and lowering the inflation rate by reducing the volume of free money available to the public for spending.

Credit rates should be increased for industry, for subsidized housing and for approved national development projects, while private credit would be tightened accordingly. This would stimulate growth and increase production, enabling the productive sectors to increase employment levels in the event of cut-backs in the public services sector, which would be long overdue, since Israel's hidden unemployment is amongst the world's highest.

I have not attempted to solve all one fell swoop all of the country's economic woes. The proposals in this article are a definite step in the right direction. If they were to be implemented tomorrow, then the positive effect would begin to be felt within a relatively short time.

I have not gone into the political steps required if the economy is to be saved. It must be realized that without the political will and courage to perform the necessary actions — budget reductions, legal reforms, etc. — no economic plan, no matter how good, can accomplish much. This includes short-term controlled unemployment. It is cheaper to subsidize another few thousand unemployed than it is to subsidize the current hidden unemployment.

Jonathan Ariel is active in Herut and a writer on economic affairs.

POSTSCRIPTS

PS THE HERMAN WOUK serial, *The Winds of War*, being shown on TV, seems to be sliding on a very thin ice indeed, at least as far as the historical details of World War II are concerned. Perhaps Wouk failed to consider the knowledgeable Israeli public.

It may be of little importance that Warsaw's electric trams were never painted blue, even in war-time. They were and still are red. But what irks us most is the scene in which two of the film's heroes sought refuge in the U.S. Embassy in Warsaw during the first week of the September 1939 Nazi invasion. They arrived at the embassy's gate in a torrential rain.

All who remember those days know that the whole of September 1939 was a completely dry month. This, of course, greatly facilitated the German advance. The much prayed-for rain would have changed the main pre-war Polish roads into an impassable mire, making the Blitzkrieg virtually impossible. A.Z.

PS A PRICELESS treasury of art, comparable in size and variety to the Hearn, Getty and Rockefeller collections in the U.S., has gone on public view in Glasgow after a 39-year wait for a permanent home.

The 8,000-piece Burrell collection, opened to the public by Queen Elizabeth, was amassed by Scottish shipowner Sir William Burrell.

He presented the collection to Glasgow in 1944, 14 years before his death at the age of 97. Then came the long search for a place of exhibition.

The collection ranges from artefacts from pre-Christian and oriental civilizations to paintings by 19th-century French impressionists.

Keeper Richard Marks says it cannot be valued, although estimates have varied between £30 million and £100 million.

The collection includes Chinese pottery, porcelain and jade, paintings by Degas, Cezanne and Rembrandt, Persian carpets and important examples of stained glass and tapestry.

Until now, the art treasures have been kept in secret storehouses

around Glasgow. Their new home is a special gallery, in which modern technology is blended with stonework collected by Sir William from medieval castles all over Europe.

The gallery, costing £20 million, is set against trees in a park five kilometres from the city and can show a third of the collection at any one time.

PS It's not likely to appease the Ayatollah Khomeini, but our man in Haifa reports that while walking through the old German Colony district of the city the other day he was surprised to find an Iran Street as well as the much better known Persian Street. In fact, Iran, which is really no more than an ally, links the longish Persian Street with Meir (Ruttenberg) Street.

Delving into the matter, our man found that Persian Street had that name since the turn of the century, and honours the founders of the Baha'i religion, their families and early disciples, who had been exiled from Persia, where the religion was founded, and who settled in the street. The old building of the Baha'i World Centre still stands in the street.

Iran Street has a shorter history. The late Mayor Hassan Shukry, has intended to name it for the founder of the religion, the Baha'u'llah. But objections were raised that so small and insignificant a road did not merit the memory of a lofty and revered personage, and as a compromise the little alley got the name Iran, the Baha'u'llah's native land. He spent his last years in exile in Acre, where he is buried. Y.F.

PS FRANCIS RIZAK, political advisor to Southern Lebanon commander Maj. Sa'ad Haddad speaks fluent Hebrew, learned in ulpanim in Israel and from his exposure to the Israeli media. Recently, while bringing one of his children to register at an Israeli university, he said that his intensive study of Hebrew had furthered his understanding of his prayers as a Maronite. The Maronite prayers are in Aramaic, which is, as any student of the Talmud knows, closely linked to Hebrew. D.R.

Grenada adventure

OFF MIKE
Michael Elkins



nion moulders and ordinary citizens. (Presumably they are confused by having their "Westerns" staged to the East of them — like in Beirut, for example.)

He has achieved a new high ("high") in political hypocrisy by asserting as his primary motivation his "concern for the safety of Americans" on the island, while not even attempting to offer the

slightest evidence that these Americans were in danger requiring this kind of violent "rescue."

He has, in cold fact, asserted the determination of the American administration to control the destinies of neighbouring peoples in accordance with American interests. In

READERS' LETTERS

DEFENDING DONORS

To the Editor of The Jerusalem Post: Sir — I am moved to write by your publication, once again, of an attack on American Jews, this time by an Australian (Letters, October 3). Mr. Warner Lang, of Maroubra, complains of the "paltry millions" sent from America to Israel and agrees with Mr. David Levy that the primary function of these funds is to help perfidious galutniks to "stand taller and with pride." Such an opinion bespeaks profound and wilful ignorance. If support for Israel does enhance the personal prestige of donors, Mr. Lang may be sure that the effect holds only within the narrow circle of the Jewish community itself. Although few outside America appreciate it, Jews in that country perpetually court suspicions of dual allegiance and even disloyalty from their compatriots. Zionist activities are pursued discreetly.

"Wouldn't a country of... ten million Jews be better suited to